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U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

**Strategic Evaluation of the  
Food Security Programs of Four Cooperating  
Sponsors in Peru  
Under Public Law 480 Title II**



The Louis Berger Group, Inc.  
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*August 2000*



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August 14, 2000

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Dear Ms. Tucker,

It is my pleasure to enclose five (5) copies of the final report, 'Strategic Evaluation of the Food Security Programs of Four Cooperating Sponsors in Peru,' according to the terms of our contract.

In the final report we have responded to the second round of written and oral comments received on August 1 from the four cooperating sponsors, and USAID. We have included an additional Annex which contains the comments and issues raised by selected cooperating sponsors, and USAID, on the penultimate draft.

I want to express my appreciation, and that of the entire evaluation team, for the opportunity to serve in this important capacity.

Yours sincerely,

*Scott Thomas*

Scott Thomas  
Team Leader

cc: M Hodem  
J Martin  
C Bell

### Acknowledgements

This evaluation was prepared for, and under the guidance of, Catholic Relief Services.

The evaluation team leader and principal author was Dr. Scott Thomas, senior economist in Louis Berger's Washington office. Mr. James Rudolph served as deputy team leader. Mr. Rodrigo Carvajal, also of Berger's home office, served as strategic planning & evaluation expert. Ms. Rose Schneider, Mr. Marion "Tex" Ford and Dr. Jorge Chavez provided senior-level expertise in the health & nutrition, agriculture & productive infrastructure, and micro-credit sectors, respectively.

The strength of the effort rested on the in-country team of specialists, composed of the following persons: Dr. Jorge Alarcon, Ag. Extension Specialist, Ms. Judith Kuan, Microfinancing Specialist, Mr. Alberto Padilla, Maternal/Child Health Specialist, Mr. Fernando Chavez, Rapid Appraisal & Monitoring Systems Specialists and Mr. Percy Bobadilla, Information Systems Specialist.

The evaluation team is indebted to representatives of the four cooperating sponsors, ADRA, CARE, Cáritas and Prisma, and of USAID, for engaging in a participatory process that greatly strengthened the field work and analysis of the evaluation.

# Strategic Evaluation of the Food-Security Programs of Four Cooperating Sponsors in Peru

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# **Strategic Evaluation of the Food-Security Programs of Four Cooperating Sponsors in Peru**

by

The Louis Berger Group, Inc.

July 2000

## **Executive Summary**

This is a strategic, cross-cutting evaluation of the food security (PL-480) assistance activities of four cooperating sponsors in Peru. Its purpose is to identify the types of food-security activities with the greatest impact and sustainability, and to develop parameters to help foster such activities in the future.

The programs of the four cooperating sponsors, ADRA, CARE, Cáritas and Prisma, have been chosen for review because they are representative of the full range of activities that have been supported by PL-480 funds during the period under review (1996 – 1999), in programs spanning health and nutrition, agriculture and productive investment, and micro-credit.

The evaluation team utilized available information on results, administrative costs, leveraging and sustainability, both quantitative and qualitative, to make its assessment of financial and economic cost-effectiveness. The following highlights the evaluation report's principal findings and recommendations.

## **Results**

- **Program implementation.** The cooperating sponsors have been ambitious and dedicated in the manner in which they have carried out food security programs in Peru.
- **Program outputs.** The programs have generally met projected program outputs, like numbers of children vaccinated, or hectares of small-farmer production planted using improved seed varieties.
- **Intermediate results and impact.** Cooperating sponsors have not collected information on intermediate results that can be used to assess program impact, nor disaggregated budget data for evaluation of cost-effectiveness.
- **Sustainability.** Concerns about the sustainability of the results achieved may be raised in respect to some of the sub-programs of all four of the cooperating sponsors.

## **Financial cost-effectiveness**

- **Administrative costs.** International cooperating sponsors demonstrated significantly higher administrative costs than did those of local cooperating sponsors.



- **Leveraging.** Leveraging added more than 56% to the total amounts of Title II assistance monetized from 1996 – 1999, financed by Government of Peru contributions, the own resources of the cooperating sponsors, and other sources.

#### **Economic cost-effectiveness**

- **Health and nutrition programs** should focus increasingly on training in basic good practices and the institutional strengthening of and collaboration with the public sector institutions that eventually will take over integral health programs.
- **Organizational strengthening of small-farmer economic associations** should emphasize business skills, quality control, cost-sharing and establishing strong business linkages.
- **Agricultural production assistance activities** should always be based on market signals and demand, and in particular, should rely on and incorporate strategic marketing approaches.
- **Investments in public infrastructure**, from rural access roads to canals and irrigation systems, are problematic in terms of sustainability. Unless concrete mechanisms are in place for the self-financing of future operations and maintenance, they should be phased out of the PL-480 portfolio, while a concerted effort is made to encourage their adoption by responsible public authorities.
- **Rural micro-credit activities** remain unproven. Following a defined period of from 18 – 24 additional months, micro-credit activities in rural areas should be reviewed to see whether they should continue to be financed by the PL-480 program.

#### **Other issues**

- **Food distribution programs.** Concern remains about the effectiveness of the GOP's food distribution activities. Several reports allege that extreme poverty in rural areas of lesser political or economic importance is not receiving the attention it deserves.
- **Contracting out.** Such concerns could be mitigated if responsibility for implementation of the programs were contracted out on a competitive basis to NGOs. This could also leverage considerable resources to help ensure impact sustainability.
- **Monitoring and evaluation.** The cooperating sponsors need to begin tracking such intermediate results as increases in agricultural yields, production and sales, as well as tracking micro-credit activity performance by type of client in order to better establish the impact of their programs.

# **Strategic Evaluation of the Food-Security Programs of Four Cooperating Sponsors in Peru**

by

The Louis Berger Group, Inc.

## **Summary Conclusions and Recommendations**

This is a strategic, cross-cutting evaluation of the food security (PL-480) assistance activities of four cooperating sponsors in Peru. It is not designed or intended to be an evaluation of the cooperating sponsors, nor of their programs. Instead, its purpose is to identify the types of food-security activities with the greatest impact and sustainability, and to develop parameters to help foster such activities in the future.

The programs of four cooperating sponsors, ADRA, CARE, Caritas and Prisma, have been chosen for review because they are representative of the full range of activities that have been supported by PL-480 funds during the period under review (1996 – 1999), in programs spanning health and nutrition, agriculture and productive investment, and micro-credit.

In deriving its conclusions and recommendations, the evaluation team has taken as its touchstone the fact that PL-480 funding is programmed to fall by 80% during the next five years. This has meant that the focus of the evaluation has been to identify measures to streamline costs, leverage funds, achieve higher impact and foster sustainable results.

The following highlights the evaluation report's principal findings and recommendations.

### **1. Assessment of Results**

The cooperating sponsors have been ambitious and dedicated in the manner in which they have carried out food security programs in Peru. They have been responsive to the changing strategies and priorities of AID, relating to increased monetization of PL-480 resources, phase-out of food distribution activities and concentration on priority "Economic Corridors."

The programs have generally met projected program outputs, like numbers of children vaccinated, or hectares planted by small farmers using improved seed varieties. In those cases in which they have fallen short, this is as likely to have been due to overly-ambitious projections as to underachievement.

Concerns about the sustainability of the results achieved may be raised in respect to some of the sub-programs of all four of the cooperating sponsors. These concerns tend to result from uncovered recurrent costs, in the case of public goods, and insufficient attention to market signals and demand, in the case of private goods.

## 2. Cost effectiveness and sustainability

There were severe limitations on the ability of the evaluation team to conduct an analysis of the relative merits of activities carried out by the cooperating sponsors in the three sectors of interest. These included:

- Lack of standardization among agencies in reporting on program outputs;
- Lack of data on intermediate results;
- Insufficiently established relationships between either program outputs or intermediate results and desired program impacts; and
- Absence of data on PL-480 budget expenditures by sub-program, or type of activity, upon which to base cost-effectiveness analysis.

These problems in monitoring and evaluation need to be addressed by the cooperating sponsors. Nonetheless, in the experience of the evaluation team, working in developing countries almost by definition means that the decision maker will not have all the data that might be desirable in hand when strategic directions need to be defined and decisions made.

Accordingly, the evaluation team utilized the best available information on results, administrative costs, leveraging and sustainability, both quantitative and qualitative, to make its assessment. The results of this analysis are presented briefly below, by findings on financial cost-effectiveness and economic cost-effectiveness. Implications of the analysis for future programming directions are presented in the following section.

### Financial cost-effectiveness

Financial cost-effectiveness was assessed broadly in respect to measures of greatest value from the perspective of the U.S. Government.<sup>1</sup> The measures employed were:

- (1) agency **administrative costs** in proportion to total PL-480 funds allocated; and
- (2) **leveraging** of other resources, measured as total program budgets in comparison to PL-480 resources allocated.

Data on these two measures were collected annually, by agency, disaggregated by program. In addition, cooperating sponsors were asked to provide information about the amount of total staff time devoted to monitoring and evaluation, including compliance with AID reporting requirements.

Analysis of these data, and discussions with cooperating-sponsor representatives, yielded the following conclusions:

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<sup>1</sup> In accordance with the intent of the terms-of-reference for the evaluation, the financial cost-effectiveness data are presented in this evaluation by sector, or in ranges representing statistics from all four cooperating sponsors, so as not to engage in comparative evaluation of the programs of the cooperating sponsors.

- **Administrative costs by agency.** The programs of the international cooperating sponsors demonstrated significantly higher administrative costs than did those of local cooperating sponsors.
- **Administrative costs by sector.** Administrative costs in proportion to total PL-480 budgets were highest in the agricultural sector (22%) and lowest in micro-credit (18%). Administrative costs in health and nutrition programs fell steadily from 1996 – 1999, in part because under some programs the Government of Peru was absorbing this responsibility.
- **Reporting requirements.** The proportion of total agency staff time devoted solely to monitoring and evaluation responsibilities ranged from 15% - 30%, representing a fixed cost that will not be amenable to reduction in proportion to reduced PL-480 funding without proactive measures to streamline reporting requirements.
- **Leveraging potential.** Leveraging added more than 56% to the total amounts of Title II assistance monetized from 1996 – 1999, financed both by Government of Peru contributions, the own resources of the cooperating sponsors, and other sources.
- **Leveraging by the GOP.** Leveraging proportions were highest in health and nutrition programs (augmenting PL-480 funding by 89%), in part because of growing contributions from the GOP. Cooperating sponsors also agreed, however, that the loss of flexibility could be entailed by increased GOP leveraging.
- **Leveraging from other sources.** Leveraging proportions in agriculture were lower in part because impacts in this sector must be replicated through private, market forces, rather than through adoption of program responsibility by government agencies. Leveraging in micro-credit programs could be expected to grow, both because of loan reflows and, with formalization, the potential for financial backing from private sources.
- **Leveraging by cooperating sponsors.** In cases in which cooperating-sponsor strategies and priorities were not in accord with shifts in AID strategies and priorities, a noticeable drop in leveraging from own resources occurred. It is also to be expected that, as PL-480 funding falls by some 80% during the period 2002 – 2008, the strategies and priorities of the cooperating sponsors will gain in importance for overall food security efforts.

### **Economic cost-effectiveness**

Economic cost-effectiveness was defined in terms of the sustainability and replicability of the impacts being promulgated – since it is clear that if program impacts are not sustainable, and replicable, those impacts will be transitory. The analysis was based on extensive field work carried out to review the sectoral programs and sub-programs of all four cooperating sponsors, as well as extensive interviews with cooperating-sponsor representatives in Lima.

The analysis of sustainability was carried out in respect to types of activity that were common to the programs of two or more cooperating sponsors. These were disaggregated and reorganized somewhat from the sectoral headings referred to in the terms-of-reference, in order to group activities *similar in character* with one another.

The activities were then analyzed according to different levels of sustainability, as summarized in the accompanying table.

**Sustainability of Different Types of Activity**  
Carried out by Cooperating Sponsors Utilizing Monetized PL-480 Funding

Sector/Sub-sector	Type of activity	Sustainable as being carried out	Sustainable with recommended measures by cooperating sponsors	Sustainability depends on actions outside control or comparative advantage of cooperating sponsors
Health & Nutrition	Education programs	✓		
	Integral health programs		✓	
	Institutional strengthening	✓		
Agricultural Production	Donation of planting materials		✓	
	TA/training/demonstration plots		✓	
Commercialization	Organizational strengthening		✓	
	Marketing/business linkages			✓
Public Infrastructure	Rural access roads			✓
	Potable water systems		✓	
	Canals, irrigation systems			✓
Micro-Credit	Urban clients		✓	
	Rural clients		Unknown	

Briefly, the concept of **sustainable as being carried out** simply means that the results and impact of the activity as currently being implemented by the cooperating sponsors appear to the evaluation team to be sustainable.

The category of **sustainable with recommended measures by cooperating sponsors** pertains to activities that have a very high potential to achieve a sustainable impact, but only if considerations of institutional sustainability, and market signals and demand, are adequately addressed by the cooperating sponsors.

Another series of activities falls within the category of **sustainability depends on actions outside control or comparative advantage of cooperating sponsors**. In these cases, the position of the evaluation team is not that the activities should not be performed, but that they would best be performed by entities other than the cooperating sponsors supported by PL-480 funding.

### 3. Future Directions

Based on assessment of program results and comparative analysis of activity cost-effectiveness, the evaluation team developed a number of parameters to guide future programming decisions. Among these are the following:

- **Health and nutrition programs** should focus increasingly on education programs and the institutional strengthening of and collaboration with the public sector institutions that eventually will take over integral health programs.
- **Organizational strengthening of small-farmer economic associations** should emphasize business skills, quality control, cost sharing and establishing strong business linkages.
- **Agricultural production assistance activities** should always be based on market signals and demand, and in particular, should rely on and incorporate strategic marketing approaches provided by other AID-supported activities, like the PRA activity (an offshoot of the Economic Corridors strategy).
- **Investments in public infrastructure**, from rural access roads to canals and irrigation systems, should be phased out of the PL-480 portfolio, and a concerted effort made to encourage their adoption by responsible public authorities.
- **Rural micro- credit activities** are largely unproven as yet. Following a defined period of from 18 – 24 additional months, they should be reviewed to see whether they should continue to be financed by the PL-480 program.

#### Other issues

The terms-of-reference ask that the evaluation team review several other issues concerning the future directions of the Title II program. One in particular relates to the breakdown between direct food distribution versus monetization of PL-480 resources. In brief, the evaluation report takes the following stance on this issue:

- **Food distribution programs** have reduced chronic malnutrition among vulnerable population groups, but this impact is not sustainable unless accompanied by other measures to improve health, nutrition, and household income.
- **Monetization.** Accordingly, the evaluation team takes no issue with the policy decision of USAID to phase-out PL-480 food distribution activities in favor of the Government of Peru, and to direct PL-480 funds toward the achievement of sustainable improvements in health, nutrition and household income.
- **GOP food distribution programs.** Concern remains about the effectiveness of the GOP's food distribution activities. Several reports allege that extreme poverty in rural areas of lesser political or economic importance is not receiving the attention it deserves.
- **Contracting out.** Such concerns could be mitigated if responsibility for implementation of the programs were contracted out on a competitive basis to NGOs. This could also leverage resources to help ensure impact sustainability.

# **Strategic Evaluation of the Food-Security Programs of Four Cooperating Sponsors in Peru**

by

The Louis Berger Group, Inc.

## **A. Introduction**

This is a strategic, cross-cutting evaluation of the food-security (PL-480) assistance activities of four cooperating sponsors whose programs are taken as representative of Title II programs in Peru. The objective is to determine which types of activities have been most effective in meeting food security objectives; and from this, to outline parameters to guide future programming decisions. (The terms-of-reference for the evaluation are reproduced in Annex VI.)

The purpose of the evaluation is to provide guidance to the cooperating sponsors, and USAID, in the design of future food-security program strategies in Peru. It is not designed or intended to be an evaluation of the cooperating sponsors, nor of their programs. Instead, its focus is to identify the types of food-security activities with the greatest impact and sustainability, and to develop parameters to foster such activities in the future.

### **1. Approach and scope of the evaluation**

The evaluation comes in the context of sweeping changes in food security assistance in Peru. These include a planned reduction in the total PL-480 Title II budget allocation for Peru of 80% over a five-year period, starting from an annual budget of around \$50 million in 2000. They also include several changes in USAID strategy, including a shift to the "Economic Corridors" approach, which emphasizes backward and forward market linkages in regions characterized by secondary and tertiary cities; as well as a devolution of fiscal responsibility for food distribution programs to the Government of Peru (GOP). (Further detail about the context of poverty and food security programs in Peru is presented in below, in Section 2.)

#### **1.1 Cooperating sponsors**

The four cooperating sponsors, ARDA, CARE, Cáritas and Prisma, have been chosen because their programs have been fully articulated during the period under review (1996 – 1999); and because, taken together, they represent the full range of activities that have been supported by PL-480 funds. In particular, the programs of these four Cooperating Sponsors span activities in the three sectors of interest for this evaluation: Health and Nutrition; Agriculture and Productive Infrastructure; and Micro-credit. The programs of these agencies also offer good representation by region, and in fact evaluation field visits were carried out to various sites in the *sierra* and the *selva*, as well as on the coast. (Additional detail about the strategies and priorities of these agencies appears below in

Section 2.3. A summary of the site visits, and persons contacted during the course of the evaluation, appears in Annexes III and IV.)

## 1.2 Approach

The evaluation has been carried out by the Louis Berger Group, an international consulting firm with extensive experience, both in Peru, and in performing cross-cutting strategic evaluations of economic development and poverty alleviation programs around the world.<sup>1</sup> Central to that success has been the objectivity and independence of the Berger Group itself. In this context it can be stated categorically that the evaluation team, and the Berger Group more broadly, have no preconceived notion, model or view about any aspect of the food security program that has been promulgated by the cooperating sponsors in Peru; nor about the direction or directions that future PL-480 programming should take.

The Berger approach is, however, rooted in the economics discipline, and so much of the analysis of concepts such as sustainability and replicability stems from an assessment of market signals and demand. This is not the only basis for analysis, however, and so for example, the evaluation distinguishes between the provision of public and private goods in consideration of the extent to which activity results are likely to be sustainable.

The Berger team's evaluation approach is to be as fully participatory and responsive to the questions, comments and suggestions of the cooperating sponsors, and to other stakeholders (including USAID representatives) as it is possible to be. The reason for this approach is straightforward. It is assumed that the cooperating sponsors themselves possess the best information and knowledge about the activities they have been responsible for carrying out. A participatory and responsive attitude on the part of the evaluation team is viewed as the best means to gain access to and absorb that information. The Berger team's stance is that to be successful, the evaluation should help the cooperating sponsors to implement stronger, higher-impact and more efficient activities in the future.

## 1.3 Scope

One aspect of developing the desired collaborative working environment was mandated specifically within the terms-of-reference for the evaluation. In particular, the evaluation team was enjoined not to compare and contrast the cost-effectiveness of programs or sub-programs among the cooperating sponsors. Instead, the evaluation focuses on generic types of activity – agricultural production v. commercialization, for example – and compares the efficacy of these generic models in terms of impact and sustainability. In those cases where data by agency must be reported to respond completely to specific

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<sup>1</sup> The Berger Group was responsible for the administration of the Micro and Small Producers (MSP) program for USAID/Peru from 1994-1999. It also carries out projects on a regular basis for non-USAID clients in Peru, including the World Bank and the IDB. Berger has a branch office in Lima, Peru, as well as in more than 50 other developing countries around the world.



questions within the terms-of-reference, these data are reported in ranges, without identifying the particular agencies they pertain to.

It is also to be noted that the terms-of-reference refer to a number of decisions have been taken prior to the advent of this evaluation which are not in fact the subject of the evaluation. These include the decisions to focus PL-480 resources on priority "Economic Corridors," to pass fiscal responsibility for food distribution entirely to the Government of Peru, and to reduce PL-480 Title II funds by 80 % over a period of five years. Accordingly, these are taken as given throughout the evaluation.

The terms of reference define the scope of the evaluation according to three principal objectives, as follows:

**Objective 1: Results.** Assess progress to date in achieving the results predicted in the four cooperating sponsors' original Title II program documentation.

**Objective 2: Sectoral Comparison.** Make some conclusions about the relative merits of working in the three sectors, in terms of cost-effectiveness and achieving sustainable results on food security.

**Objective 3: Future Directions.** Develop parameters of a strategy to program future cooperating-sponsor food-security activities in Peru, for the period 2002 – 2008.

## 2. Strategic Context

### 2.1 Poverty in Peru, 1995 – 2000

Peru suffers from chronically high levels of poverty. When compared to most periods in recent history, the 1990s have been favorable in this regard. The percentage of Peru's population considered poor<sup>2</sup> diminished from 57.4% in 1991 to 53.4% in 1994 and 50.7% in 1997. The decline in the level of extreme poverty<sup>3</sup> diminished even more: from 26.8% in 1991 to 19% in 1994 and 14.7% in 1997.<sup>4</sup> Food donations, under PL-480 Title II and from a variety of other sources, have been an important factor in the declining level of extreme poverty. In 1997, fully 43% of the households nationwide benefited from one of the feeding programs sponsored by governmental and non-governmental sources; if one considers only rural areas, this figure jumps to 65%.<sup>5</sup>

Success in poverty reduction in Peru during the 1990s has varied among regions. The greatest reductions have occurred in metropolitan Lima, the rural areas of the coastal and jungle regions, and the urban areas of the sierra; poverty levels have increased in urban areas of the jungle and the coast, other than Lima, and in the rural areas of the sierra.

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<sup>2</sup> Defined as persons lacking sufficient resources to obtain a minimum level of necessities, including food and other basic goods and services.

<sup>3</sup> Defined as lacking sufficient resources to purchase a minimally nutritious basket of food.

<sup>4</sup> Data for poverty and extreme poverty levels are from Richard Webb and Moisés Ventocilla (eds.) Pobreza y Economía Social: Análisis de una Encuesta (ENNIV – 1997) Lima, Instituto Cuánto, 1999, p. 257.

<sup>5</sup> Ibid.

The combination of the El Niño and the post-1997 economic recession slowed this positive trend in poverty reduction in 1998 and 1999. The most recent statistics from the GOP's Instituto Nacional de Estadística e Información, nonetheless, show a slight reduction in the levels of poverty and extreme poverty levels in 1998.<sup>6</sup>

## **2.2 Achievements of the PL-480 Program**

There is no question that USAID's food security assistance has helped significantly in the reduction of poverty in Peru. The program has been directly responsible for the following achievements:

### **Health and nutrition**

- An increase of 17% in children vaccinated in assisted areas
- 365,000 persons trained in basic health and nutrition practices
- 25,000 potable water systems, latrines and other sanitation facilities built

### **Agriculture and productive investment**

- 29,000 hectares growing crops using improved agricultural technologies
- 43,000 hectares using environment-friendly agro-forestry techniques
- 36,000 hectares covered by new or rehabilitated irrigation systems
- 22,000 kilometers of new or rehabilitated rural access roads

### **Micro-credit**

- 13,000 women receiving micro-loans
- 895 new community banks created
- 4,300 loans extended via through solidarity-group revolving funds

## **2.3 Current GOP and USAID/Peru Anti-Poverty Strategy**

USAID/Peru's Strategic Objective Number 2, "increased incomes for the poor," seeks to create opportunities that will continue to reduce poverty in Peru by increasing the economic well-being of the poor. It strives to achieve sustainable reductions in poverty over the medium term through income and employment generation activities, while alleviating some of the consequences of extreme poverty (e.g., malnutrition).

The theoretical foundation of this USAID strategy is the December 1994 "Food Security Strategy for Peru," which defined the nature and scope of food insecurity in Peru and suggested appropriate policy and program responses. It found poverty to be the principal cause of food insecurity, and thus the strategy attached the highest priority to bringing about sustainable increases in the incomes of Peru's poor.

The Food Security Strategy was adopted in the Anti-Poverty Strategy developed in 1995 by the GOP's Ministry of the Presidency in conjunction with USAID/Peru. It proposed that the GOP focus its investments and services in intermediate (secondary and tertiary)

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<sup>6</sup> Niveles de Vida y Pobreza 1998, Instituto Nacional de Estadística e Información, 1999, pp. 10-15.

cities with income and employment opportunities, and where linkages with agriculture and rural enterprises could be developed. In 1996, the GOP and USAID refined the operational component of this Anti-Poverty Strategy into an approach that linked poverty-stricken rural areas to neighboring secondary and tertiary cities in an "economic corridors" strategy. Using the Poverty Map of Peru developed by the GOP and the World Bank, 24 economic corridors were identified, each having a high concentration of extremely poor together with a high potential for economic development, relative to the rest of Peru. Subsequent anti-poverty efforts by the GOP and USAID/Peru have increasingly focused on these "economic corridors."<sup>7</sup>

### 2.3 Cooperating Sponsor Priorities and Strategies

ADRA's PL-480 Title II Program, which is called the Andean Food Security Plan, has two principal objectives: the sustainable increase in the nutrition level of children under 3 years of age, and improved availability and access to food by poor and extremely poor families that live in the rural sierra. Toward these goals, ADRA implements activities, under the Infant Nutrition and the Agricultural Income Generation Programs, at the family level and in close coordination with other private and public organizations.

CARE's Sustainable Food Security Program, financed with PL-480 Title II funds, consists of three fully-monetized projects having four objectives: 1) to improve agricultural production; 2) to increase family income; 3) to improve child health and nutrition; and 4) to introduce improved management techniques at the local level. The recent emphasis on economic corridors has brought more emphasis on poor (as opposed to extremely poor) clients in the program of CARE (as well as ADRA).

Cáritas focuses the activities of its PL-480 Title II Program, which it has been implementing since 1956, in 34 dioceses within areas with high concentrations of extreme poverty within the priority economic corridors. Cáritas' program strategy is to carry out direct interventions, with the active participation of the local communities, that address the main causes of food insecurity. This is done through activities aimed at improving the use, availability and access to food among the poorest populations, with an emphasis on families, particularly women, in the rural sierra. Cáritas also places a priority on the training of institutional and small business management.

Prisma's Title II Program, entitled PROFASA, addresses the root causes of food insecurity by intervening to improve the nutritional and health status of children under three years of age. Part of the program involves direct distribution of food to families with an acutely malnourished child or at high risk of having a chronically malnourished child. Parallel activities aim to increase the incomes of families in the poorest areas by improving access to markets and providing credit and technical assistance to poor farmers. One of four components of PROFASA is PANFAR, which contains a sizable

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<sup>7</sup> Equipo Técnico para la Inversión Social (ETIS), "Estrategia Focalizada de Lucha contra la Pobreza Extrema: Elementos para el Desarrollo de Corredores Económicos n Apoyo a la Lucha Contra la Pobreza Extrema" n.d.

food distribution activity that is gradually being transferred to the GOP's Ministry of Health to achieve sustainability.

In 1997, the Cooperating Sponsors implementing PL-480 Title II Programs began targeting their activities toward the economic corridors, particularly the 10 "priority corridors" identified by the Poverty Reduction and Alleviation (PRA) Project. This was in line with the new strategy to enable USAID recipients to improve household income in a sustainable fashion by linking the assistance to rising markets. But concerns remained that the rural poor who live in areas outside the "priority corridors" would be left behind under this strategy.

## 2.4 Title II Phase-Down Strategy

In 1998, in recognition of the competing demand on ever-scarcer resources on a worldwide level and the progress made in combating poverty in Peru between 1991 and 1997, USAID formulated a Title II phase-down strategy that envisioned a decade of gradually declining Title II resources through 2008.

**Illustrative Title II Funding Levels**  
(\$ millions)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Social Safety Net</b>	20	15	5	5	5	0	0	0	0	0
<b>Poverty Reduction</b>	30	35	25	20	20	20	20	10	10	10
<b>Total</b>	50	50	30 *	25 *	25	20	20	10	10	10

\* Levels subject to possible increase of \$10 million in each year.

Source: USAID/Peru

The phase-down strategy defines two major categories of Title II activities during the decade: those that result in an improved targeting of social safety net programs, and those that contribute to a reduction in poverty. Social safety net activities, and in particular food distribution programs, are to be gradually taken over by the GOP with those remaining under Title II to be concentrated in the 10 priority economic corridors by 2001, and to end by 2004. Poverty reduction activities, including those to promote health, nutrition and household income, are likewise to be concentrated in priority corridors by 2001, where their funding levels will gradually decline through 2008. This decline is expected to be mitigated by a combination of increasingly efficient use of these funds as the level of monetization is increased annually; increased leveraging of other-donor and GOP resources; and increased investment by the private sector.

USAID/Peru's FY 1999 Results Review, dated March 2000, states that it is coordinating with USAID/Washington to seek a more gradual reduction in Title II resources during FY 2001 and FY 2002, given the negative impact on the rhythm of poverty reduction as a result of the unanticipated economic slowdown during 1998 and 1999. These possible modifications to the speed of the phase-down of Title II resources are indicated by the asterisks (\*) in the above table.

An integral part of the phase-down strategy is that the GOP will assume complete fiscal responsibility for food distribution programs. In 1996, President Fujimori established the ambitious goal of reducing extreme poverty by 50 percent during his second term in office.<sup>8</sup> Part of this strategy consisted of a substantial increase in GOP social safety net programs, especially in the direct distribution of food. This fit very well with USAID's Title II Phase-Down Strategy. Food distribution programs administered by a wide array of GOP agencies, including the Ministry of the Presidency, as well as by local municipal governments, grew significantly, to \$326 million in 1997 and \$624 million in 1998; while the number of beneficiaries surpassed 10 million.<sup>9</sup>

Nonetheless, concerns remain that the GOP food distribution programs are not well focused on alleviation of extreme poverty, especially in rural areas of lesser political or economic importance. Twenty percent of the extremely poor apparently did not benefit from any government feeding program, while fully three-quarters of the beneficiaries were, in fact, not extremely poor. In Lima, where one-third of the extremely poor did not benefit, and 95 percent of the beneficiaries were not extremely poor. At least two causes of this lack of focus could be pointed out: 1) a lack of coordination among the different agencies administering food distribution programs; and 2) the alleged use of political criteria in the identification of the target populations.

### **3. Report outline**

The remainder of this report is organized as follows. Section B provides an overall evaluation of the food security programs of the cooperating sponsors.

Section B.1 assesses results achieved by the cooperating sponsors in each of the three sectors of the evaluation, program by program, including the reasonableness of the targets and the sustainability of the results achieved.

Section B.2 looks at the appropriateness of the impact indicators pertaining to these programs; and assesses both financial and economic cost-effectiveness, by type of activity within each sector.

Section B.3 derives lessons learned under existing cooperating-sponsor programs, based on the analyses in Sections B.1 and B.2; and discusses parameters for the determination of the best use of Title II resources in the future.

Section C is an assessment of program performance in the health and nutrition sector, including subsections on results, cost-effectiveness and lessons learned. Sections D and E cover similar ground in the agriculture and productive infrastructure sector, and the micro-credit sector, respectively.

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<sup>8</sup> Ministerio de la Presidencia, Elements of the Focalized Strategy to Combat Extreme Poverty 1996-2000.

<sup>9</sup> This and the subsequent paragraph are based on Enrique Vásquez and Gustavo Riesco "Los programas sociales que 'alimentan' a medio Perú," pp. 89-151 in Felipe Portocarrero S. (ed.) Políticas Sociales en el Perú: Nuevos Aportes (Lima: Red para el Desarrollo de las Ciencias Sociales en el Perú, 2000).

Annexes provide additional detail concerning indicators and results; monitoring and evaluation systems of the cooperating sponsors; field visits; persons contacted; and documents reviewed. An additional annex includes comments about the report's findings and recommendations, forwarded by selected cooperating sponsors, and USAID/Peru, following their review of the penultimate draft evaluation report. The final annex contains the terms-of-reference for the evaluation.

## **B. Overall Evaluation**

### **1. Objective 1: Results**

#### **1.1 Best Set of Indicators**

##### **1.1.1 Health and Nutrition**

###### **Progress to date**

Considerable progress to date has been made by the four cooperating sponsors (ADRA, CARE, Cáritas and Prisma) in their PL-480 sponsored health and nutrition interventions. They have established major efforts to organize communities, train and supervise community promoters, monitor the nutritional status of children under five, train women in health and nutrition (H&N), provide food supplements, promote and install water and sanitation, promote and encouraged use of basic PHC services (vaccinations, prenatal care, ORT, ARI treatments, etc.) and implemented other interventions.

###### **Indicators to monitor progress**

The tables for each of the cooperating sponsors in Annex I present in considerable detail the progress of the cooperating sponsors, their indicators, the planned targets, any revised targets, and the progress/completion against these targets made by the agencies in the health and nutrition sector.

The indicators used by the H&N programs are a combination of high-level impact indicators, such as *changes in chronic malnutrition status*, and more operational program output indicators, such as *number of promoters receiving the full cycle of training*. The extent of the progress of each cooperating sponsor is somewhat difficult to compare. Each agency's population size, area of influence, baseline and monitoring data, and methodologies differ somewhat. This could be expected with four independently operating agencies operating with baselines and other data needs defined somewhat differently, data collected at different dates, different health and nutrition interventions and information and programming systems which meet different institutional needs.

Measurement against USAID's global PL480 results which specify that the "primary indicator to measure success of the Peru PL480 program is chronic malnutrition" is not done yearly by most of the cooperating-sponsor programs. PANFAR reports against this indicator for each year, while others report one year's data and others show alternative indicators such as the number of children graduated from their nutritional rehabilitation programs.

###### **Justification for selection**

Cooperating sponsors have indicators pointing essentially to aspects related to service supply to direct beneficiaries and results indicators are generally not available at the community level to measure social impact. Indicators should be available to show how nutrition problems affecting health are starting to be controlled. In this sense, information systems should provide indicators

to measure changes in nutrition, disease prevention and child health. Section C proposes some key indicators to be taken into account.

Collecting the needed data would mean developing special household surveys, which would demand additional resources. This is why the cooperating sponsors should evaluate the convenience of changing their monitoring systems, to simplify them and free resources to fulfill the need for better information.

Even given these difficulties, however, there are a group of indicators which the agencies, through extensive discussion, have justified to be used for their health and nutrition programs sectors.

### **Best subset of indicators**

Which indicators should be considered the best subset is discussed in some detail in Section C. It discusses those indicators that program managers have identified as key. For a number of indicators there is agreement/common among the cooperating sponsors. The evaluators have added technical justifications for use of some other indicators.

Most cooperating sponsor information systems report on exclusive breastfeeding, feedings per day for young children, nutrition surveillance, and women trained. Not all report out on *nutritional status* from their nutritional surveillance. Coverage of vaccinations is not monitored by some agencies and prenatal care is usually not monitored. It is not clear if agencies have worked with MINSA to access their statistics on vaccination coverage, prenatal visits and other indicators of health services coverage. Evaluators found that agencies report mainly about direct beneficiaries and less so on the communities in which a particular sector or intervention is implemented or where they work directly.

The use of representative samples of stratified communities according to the combinations of implemented sectors and considering the presence of other agents external to PL-480 would permit agencies to obtain impact measures. As discussed above, to fulfill these requirements it would be necessary for agencies to review their current strategies in monitoring systems to avoid increased expenditures.

USAID Peru's PL480 program defines that its primary indicator of progress is the *change in the chronic malnutrition status* (apparently of children under five, focusing on children 6 to 36 months). Some cooperating sponsors have carried out impact measurements, based upon representative samples, but in general their information systems do not collect and present information on the changes in chronic malnutrition status as a key indicator of progress and as an indicator of impact. The evaluation team considers that the graduation rate in itself is not a good proxy indicator of changes in the community's nutritional situation.

Perhaps in the future, if full reporting of changes in nutritional status of children cannot be presented, changes in chronic nutritional status could be inferred from the number or percent of children/families graduating from nutrition programs. But this would need scientific research that validated models permitting to extrapolate the impact on malnutrition based upon a combination of graduation rates and some other indicators. Also, if "graduation" were used as



an indirect indicator, it would require the agencies to do more standardization of the criteria for entrance and graduation from the nutrition rehabilitation program among themselves.

### **Baseline and periodic data collection for the four NGOs**

<b>NGO</b>	<b>Baseline</b>	<b>Revision</b>	<b>Areas covered</b>
ADRA	Nov. 1995	Annually	
CARE	1996	Every 22 months	
Cáritas	1995	1998	Done in some
Prisma	1996	1996	Uses sentinel sites

There were considerable efforts by USAID's PL480 office to encourage interchange among the agencies and a certain degree of standardization. However, with the encouragement to move to participate and support the Economic Corridors strategy, the cooperating sponsors literally moved to initiate health and nutrition interventions in different geographic areas. The result was that they established different methodologies, baselines and indicators, making comparison technically limited.

In addition, with a large number of indicators, the NGOs report out their progress using their key indicators.

### **1.1.2 Agricultural Production and Productive Infrastructure**

In their "Annual Results Reports" and other available documents, the agencies only report program output indicators, which is why only these have been used in this report. Intermediate results indicators (which refer to such concepts as increased agricultural production or sales) impact indicators (which refer to the household income or nutritional impact) are not reported in these annual reports. All the agencies have developed base line studies (in 1996 and/or 1997), and in some cases have carried out intermediate evaluations in order to compare data with those corresponding to the baseline. Nevertheless, it is important to mention that the intermediate evaluations and the baselines have emphasized variables that correspond to the state of nutrition, health and unsatisfied basic needs of the families that participated in the project. Evaluation of the impact of the productive agriculture and infrastructure programs is pending.

The best sub-set of common indicators is the following:

- Area with Improved Soil/Agroforestry Conservation Practices (Ha)
- Area Incorporated with New or Rehabilitated Irrigation Systems (Ha)
- Area Incorporated with Improved Production Technologies (Ha)
- Construction of Commercialization Infrastructure (Num)
- Rehabilitated Access Roads (Km)

In general, the indicators selected are those that are recommended by USAID to evaluate the compliance with the proposed goals, reflecting agency efforts that correspond to assistance to productive infrastructure, production increase, and market access. However, not all the indicators are reported in full by all the agencies, since the components emphasized by each

agency are distinct, as a function of their own strategies and institutional emphases. The reports are done annually (1996-1999) and in general show a satisfactory achievement of the proposed goals.

In agreement with Section D, below, in which the project emphasis in support of the production and commercial linkages components is reviewed, the following observations about the monitoring and evaluation systems of the agencies are relevant:

- At the intermediate results level, indicators that measure the volume and value of production increases are needed. This would permit the evaluation of improvements in the income of the beneficiaries, and in this way measure the level of well being of the attended population.
- At the program output level, it is relevant to include indicators that give a measure of the changes in the "average yield of the agricultural sub-components (crops) and ranching (varied livestock). These indicators would proportion information on the technological improvements introduced by the project, and its impact on the productivity per unit of area.
- Also at the intermediate results level, and in relation to the improvement of commercial activity, it is necessary to use the two indicators that measure increased sales. This indicator is direct and fundamental in a strategy that considers commercialization as a central aspect for the sustainability of the interventions.

### 1.1.3 Microcredit

Three blocks of quantitative indicators were selected. The first refers to the size, quality and client-base of the portfolio. The second verifies compliance with microcredit policy guidelines in USAID. And the third measures the degree of profitability, the quality of management and, indirectly, the capacity for self-sustainable growth. A selection of qualitative criteria aims at assessing sustainability at the sub-program level.

The first block is comprised of the portfolio value, the amount of loans by type of credit technology (non-traditional revolving funds, communal banks and individual credits), the number of women served, the delinquency rate and the coverage level of the bad debt portfolio. The first three were used to assess the sub-programs and their progress in relation to the goals at global level and at the level of each credit technology, as well as of the primary target population (women).

The delinquency rate (bad debt portfolio/portfolio balance) is a key indicator to measure the portfolio quality, by measuring the delinquency rate. This evaluation considers as delinquent any loan with any unpaid installment for more than 30 days. This term is more demanding than that of 90 days suggested by USAID and is more advisable for microcredits, since they are very short term loans. This is the criterion applied by the Superintendent of Banking and Insurance (SBS) to the delinquent portfolio in the case of microcredits, and which currently is registered by both the micro-credit programs reviewed in this evaluation: CARE-SEDER and PRISMA-PASA.

Although not a direct indicator of portfolio quality, the coverage level of the delinquent portfolio (provisions/bad debt portfolio) allows measurement of the preventative effort of the institution. A deeper analysis would require the use of other indicators which, have not been considered in this evaluation due to lack of information.

The second block of quantitative indicators includes loans in rural areas, loans of less than \$300, the operational sustainability rate and the financial sustainability rate. It permits the direct measurement of compliance with policy guidelines as defined by the USAID. Measurement of loans smaller than \$300 is an imperfect indicator of how loans reach the poorest sectors. It would have been better to have an indicator on the income or expenditure level of families, information that we deem necessary not only for an impact evaluation, but because institutions must keep records, periodically process and report essential information about each client. SEDER and PASA do not monitor the performance of their clients by income level, although they do realize occasional evaluations in this regard. The "operational" and "financial" sustainability rates provide information about the sub-programs' degree of efficiency. Nevertheless, sustainability can only be evaluated through a comprehensive quantitative and qualitative analysis, within which efficiency plays an important but not indispensable role.

This is why a third block of indicators, including net profit/net worth, average portfolio per credit officer and loan placements/net worth, was considered. The first is a profitability index, that is fundamental to measure the growth capacity assuming that profits would be reinvested. The second is a productivity index permitting a deeper perception of efficiency, more relevant in microfinance than in commercial banking due to its intensive use of labor. The third is a measure of the level of leveraging, which is like the engine of the business. If the motor speeds too much (going, let's say, from 6 to 7 times the net worth) it risks break down, and if it goes too slow (from 2 to 3), it cannot be a good sustainable business. This indicator is imperfect, however. It would be better to use information on the loan placements weighted for risk/effective net worth, but there was no available information to do so.

Additionally, the evaluation considered qualitative criteria, as the level of development of information systems, risk control regime, internal control regime, strategic planning and its monitoring, policy, strategy and procedure quality and stability. Evidently, the scope of the study did not permit auditing of each one of these, but the numerous interviews aided in constructing opinions.

Measurement units appear at each statistical chart. Amounts are typically measured in US dollars and the periodicity taken is to December 1998, December 1999 and March 2000. The analysis also took into account information for those same years at the fiscal year level.

## **1.2 Assessment of Results Achieved**

### **1.2.1 Health and Nutrition**

The targets for many of the programs were difficult to establish, and are not well defined in the work documents. Without a physical presence or baselines in many of the communities, some agencies provided optimistic targets for some activities, and the results attained have been less than the intended goals; others underestimated the targets they would be able to achieve in some

activities and have obtained results much higher than planned. With the major relocation and concentration of health and nutrition efforts to coincide with the Economic Corridors strategy, many of the initially established targets no longer matched the new communities to be served.

The four tables presented in Annex I present in detail the achievements of each cooperating sponsor in their respective health and nutrition programs. These tables reflect a major effort to summarize the multiple reports and data from the information systems of the agencies into a clear summary of the results achieved. These tables present the targets of each agency together with the revision of their targets and, finally the results that the NGO achieved against the targets programmed.

The following table compiles a summary of the major results of the health and nutrition programs, reporting side by side the achievements of the different programs.

**Summary of the Achievements reported by NGOs**  
**Key Indicators and Results Achieved**

Indicator	Infant Nutrition		Niños		Wiñay		PANFAR/ Kusiayllu	
	1996	1999	1996	1999	1996	1999	1996	1999
Chronic Malnutrition (%)	52.5	37.6	59	52	56.7	49.7	50.0	57.0
Only Breast Feeding during first 6 months (%)	73.2	87.3	27	26	87.6	N/A	N/A	72.0
Children under nutritional supervision *	168.593		19.278		300.350		137.221	
Graduation rate (%)	64.0	66.6			51.2	37.0	65.0	78.0
Coverage of vaccinations (%)	75.0	80.0	55	72	47.5	70.3	85.0	97.0
Prevalence of ADD (%)	41.5	29.4	29	22	N/A	N/A	38.0	36.0
Pregnant mothers under prenatal control (%)	72.0	75.8	NA	NA	N/A	N/A	25.0	62.0
Children with birth weights under 2500 gr. (%)	4.0	6.5	NA	NA	N/A	N/A	N/A	N/A
Promoters trained *	10630		883		10.132		1.404	2.850
Number of families with latrines *	5965		NA	NA	28.016		N/A	N/A
Number of mothers having completed training cycle *	90.888		31544		155.377		N/A	N/A

\* Total for period 1996 to 1999

N/A = not available

### 1.2.2 Agricultural Production and Productive Infrastructure

As elaborated in Annex I, the results achieved are, in general, satisfactory for the entire PL-480 program, in the agricultural and productive infrastructure sector. With the exception of only one agency, the average exceeds 100% of planned, with goal compliance ranging from 75% to 135%). It is important to point out that in the case of two of the four agencies evaluated, the original goals were modified under the respective DAP amendments elaborated in 1999. The performance achieved for the evaluation period (1996-1999) is praiseworthy given the difficulties faced by the agencies, which is mostly related to the presence of the following factors:

- The presence of natural disasters and emergency situations (for example, the El Niño phenomena) that affect mainly the extreme poor and which require a dedication of resources and often emergency institutional assistance.
- The delay caused by the application of environmental evaluation procedures, mandated by USAID in 1998.
- Technical and professional difficulties of the local personnel to understand or adequately implement the constant changes of focus and strategy, expressed in the amendments of the respective DAPs.

It is important to note, however, that the indicators reported and used do correspond to the components of productive and road infrastructure, as well as increases in farming activity. It was also clear from listening to the participants and from information provided by cooperating-sponsor personnel that these programs resulted in increased production and some conservation of the productive resource base. It is our assessment that meaningful, tangible results are occurring. However, these have not yet been measured. In the future it will be necessary to incorporate indicators related to the consolidation of the production in the marketplace.

It is a recommendation of this report that USAID and the cooperating sponsors devise a system for estimating and reporting increases in agricultural production, both in terms of volume and value, resulting from the services delivered. A similar system is needed for marketing, in which the indicators collected should include sales. It is also recommended that the agencies should begin to rely on the Economic Services centers of the Poverty Relief and Alleviation (PRA) activity to help them devise marketing plans and strategies.

The indicators of commercialization that are currently measured are mostly tied to the improvement of roadways, which is a necessary but insufficient condition for the consolidation of this fundamental component into the sustainability and replicability of the productive projects.

### 1.2.3 Microcredit

As shown in the tables in Annex I, both SEDER and PASA have had general goals mainly related to measuring the speed of their growth and the level of service to their target markets, without considering specific and clear goals related to portfolio quality, solvency, liquidity, profitability and efficiency that would permit measurement of resource self-sustainability.

The only goal in portfolio quality is the delinquency rate. However in the case of SEDER, it does not specify if delinquency means 30, 60 or 90 days in arrears. In the case of PASA, delinquency is considered at 90 days, which, as we have seen, is too loose an indicator for microfinancing.<sup>1</sup>

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<sup>1</sup> This is the measure that was utilized in an evaluation of the complementarity of goals, although in the rest of the report delinquency is measured based on delinquency in excess of 30 days, the criterion utilized by the Superintendency of Banks and Insurance. Current PASA reports consider delinquency rates of 1 day, 30 days and 90 days. SEDER's delinquency rates through May 1999, when responsibility for the program passed to Edyficar, are reported according to the standards of the Superintendency.

In general, the goals were reasonable in terms of the achievements obtained, having exceeded expectations both with respect to the number of revolving credit funds/community banks and in the balance of loan placements. However, in the case of SEDER, the levels of compliance are low with the goal for the number of loans per revolving credit fund and that for the number of women served. This shows that the average loan has been higher than planned and it can also indicate a more restricted outreach to the poorest population. The level of delinquency reported (11%) is also a matter of concern, since it is more than double the reference goal (5%).

PASA shows quite an even level of compliance with its goals, although it falls moderately short regarding the number of women served. However, the delinquency rate of 9.5% for FY 1999 is quite distant from the planned goal of 3%. On the other hand, delinquency trends in the Peruvian financial system between December 1996 and December 1999 demonstrated that the banking system had even higher rates of delinquency, reaching 8.3% by the end of the period. Still, the *Cajas Municipales*, which are dedicated to credit in urban areas, evidenced a lower delinquency rate, which was only 5.6% at the end of the same period.

### **1.3. Sustainability of Results Achieved**

#### **1.3.1 Health and Nutrition**

Free distribution of food alone cannot sustain food availability. It is, in turn, a short term measure requiring integration with other activities to increase household income, including agricultural production for own-consumption. Likewise, its integration with training activities will facilitate better use of foods available in the community to improve nutrition, and better health of the recipients, both important factors in reducing malnutrition.

Health promotion, and good preventative and healing practices, will produce sustainable and replicable results if training is ensured for the whole community and not only for direct beneficiaries. School children should also be trained so as to extend sustainability over two generations. To reach these goals, a good supervision and monitoring program is necessary.

Public works construction sustainability (for water systems) requires good community organization and awareness to ensure their future maintenance and operation, as well as financing of the relevant expenditures.

Section C discusses the advantages to cooperating sponsors of integrating their efforts with MINSA and other agencies to try for sustainability of the efforts they initiated, after PL-480 program funding ends. Working closely with MINSA, promoting their interest and ownership of the efforts initiated by the cooperating sponsors, and sharing data on programs, all will help to sustain the impacts. To the extent possible, agencies should use appropriate technologies with reasonable costs that potentially can be assumed by MINSA. Working with communities in their training and organization, and to help them raise funds and assume responsibility to support the ongoing costs of revolving funds for essential medications, and for the maintenance of basic water and sanitation systems will also help with sustainability.

Cooperating sponsors also have an advocacy role to increase attention of the public and private sectors about the need for their increased support to fund and otherwise support programs in

high risk communities. Agencies can advocate before the Peruvian government about the ongoing needs of these populations and the national benefits of investing in the health and nutrition programs. They can also assist communities with creative fundraising efforts, and in the longer term, expand the concept of philanthropy into the private sector sources of funding in Peru.

### **1.3.2 Agricultural Production and Productive Infrastructure**

Agricultural production programs usually have some degree of sustainability if the goals are realistic and there is an "exit strategy" that requires preparation of the participants to elevate their practices and production and which establishes or strengthens farmer organizations and market access. The nature of the assistance provided through these cooperating sponsor programs should, in most cases, prepare the participants to improve their technological level. It has been our observation that most of the participants are learning beneficial things that they will continue to practice after the assistance ends. Important elements exist for reasonable sustainability of the results as relates to the agricultural production program.

Nonetheless, among other things, two elements are of great importance to the sustainability of the results achieved:

- Strengthening of the organizational capacity of the participants in the project; and
- Consolidation of commercialization channels to permit the placement of production in the market and in this way raise the incomes of the beneficiary farmers.

In some way, and partially, these elements have been emphasized within the implementation of the projects (specifically the commercialization component has gained increased relevance beginning with the amendments made during 1999). Nevertheless, it is important to point out that the sustainability of results is, to date, precarious, due to the weakness, and lack, of strengthening actions. It should be noted that the commercialization activities were oriented mostly to roadwork, which is important, but insufficient to strengthen the sustainability of the productive activities. The commercialization components need more emphasis on the search for new markets, information generation and sharing, improvements in the negotiation capacity of the producers, as well as the generation of complementary services and business linkages. These aspects have not yet been developed by the cooperating agencies.

Another missing element in the assistance is the training of community organizations in topics related to business management of their productive activities, a better use of credit, more and better linkages with the market, etc. The goal should be to strengthen the organization of the beneficiaries, an element that is one of the pillars of project sustainability.

### **1.3.3 Microcredit**

Both SEDER and PASA contribute to the provision of access to credit to microenterprises and poor families. Counterpart institutions have generally complied with the obligations to their contractual commitments. Communal Banking and Solidarity Groups technologies constitute useful instruments at reasonable costs for borrowers requiring small loans under \$300, since when grouped together, the transaction costs are transferred to the group.

PASA is a fresh experience in the application of communal banking technology, having specialization as an advantage that is faithfully applied by the corresponding cooperating agency in order to reach the poorest people. SEDER has undergone several policy changes and uses a credit technology that is not very representative within the activity of Edyficar, whose activity is clearly oriented to a specialization in individual credits.

In general, USAID would do well to continue to use resources to support microfinancing activities developed with credit technologies appropriate to reach the poorest people. Many experiences show that communal banking has particular advantages for contributing to the objectives of improved nutrition, since it attacks the problem both from the credit side and from the savings one.

Through PL-480 funding, USAID has encouraged experimentation in micro-credit programs targeted on poverty and extreme poverty in rural areas. One strength of these programs is that they have charged market interest rates. Traditional revolving funds, in contrast, have tended to offer subsidized terms, a fact which could end up impeding future efforts to develop a sustainable rural credit system.<sup>2</sup>

The time that has elapsed since these programs were conceived is relatively short; nonetheless, it is clear that standard micro-credit technologies must be re-designed to meet rural client needs (for example, to take into account the timing of agricultural production and harvests).

The shift from urban to rural clients in both programs supported by PL-480 financing was strongly correlated with a marked increase in loan delinquency rates, an indication that the programs cannot yet be considered successful.<sup>3</sup> This is evident from comparison of delinquency rates of SEDER and PASA with the Edpymes, which are formal micro-financing institutions falling under the supervision of the Superintendency of Banking and Insurance.<sup>4</sup> The Edpymes have until very recently been mainly focused on extending micro-credit to urban clients, so that in this sense their delinquency rates provide a good comparator to the increasingly rural focus of both SEDER and PASA.

As amplified below, in Section E, during the period 1998 – March 2000, the average delinquency rate of the Edpymes has tended to be stable and lower than 7% during this period. This compares unfavorably with the rapidly rising delinquency rates achieved by SEDER (10.9% by March 2000) and PASA (8.5% by March 2000).<sup>5</sup> Neither is it credible that prolonged general recession was at the root of the rising delinquency rates of the two embryonic programs; the trough of Peru's growth recession was reached in 1998, when the programs first started out, and since then the general economy has grown by 3% or more in real terms annually.

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<sup>2</sup> Traditional revolving funds refer to funds making in-kind loans. SEDER also has a "non-traditional" revolving fund technology which involves extending micro-credits through an amplified variety of Solidarity Groups.

<sup>3</sup> It is also true that each program operates under a different definition of what is meant by "rural." See Section E.

<sup>4</sup> EDPYMEs: *Entidades de Desarrollo a la Pequeña y Micro Empresa*.

<sup>5</sup> By way of comparison, in May 1999 USAID/Peru specified a 95% recuperation rate as its goal for microfinancing activities.



Micro-credit programs cannot be focused exclusively on extremely poor clients, because of narrower economic opportunities, and higher fixed costs and/or risk. Nonetheless, with portfolio diversification and appropriate technologies, poorer clients can participate.

Intermediary sustainability must be reinforced on the basis of an internal re-engineering effort and a parallel effort too redirect USAID parameters for the programs. In particular, the objective of reaching a high percentage of credits under \$300 must be made more flexible.

## 2. Objective 2: Sectoral Comparison

### 2.1 Assessment of Impact Indicators and Information

#### 2.1.1. Appropriateness of impact indicators for tracking food security

The evaluation team conducted an assessment of the appropriateness of the three principal impact indicators used for purposes of measuring the success of the Peru Title II food security programs. These indicators, as cited in the terms of reference are: "chronic malnutrition", the percentage of households with "unsatisfied basic needs," and the most recently established "increased household expenditures," a proxy for increased household incomes. This

### Survey Results of 22 Cooperating Sponsor Professionals What PL-480 Sectoral Programs Best Address the Three Impact Indicators?

#### 1. Chronic Malnutrition

Sector	Very Important	Important	Less Important
Agriculture/Prod. Infrastructure	23.8%	71.4 %	4.8 %
Health and Nutrition	85.7 %	14.3 %	0.0 %
Microfinance	9.5 %	47.6 %	42.9 %

#### 2. Increased Incomes

Sector	Very Important	Important	Less Important
Agriculture/Prod. Infrastructure	86.4%	13.6%	0.0%
Health and Nutrition	9.5 %	57.1 %	33.4%
Microfinance	63.6 %	31.8 %	4.6%

#### 3. Unsatisfied Basic Needs

Sector	Very Important	Important	Less Important
Agriculture/Prod. Infrastructure	36.8 %	57.9 %	5.3 %
Health and Nutrition	50.0 %	25.0 %	25.0 %
Microfinance	40.0 %	50.0 %	10.0 %

assessment was accomplished by surveying the opinions of cooperating-sponsor professionals who work in the areas of agriculture and productive infrastructure, health and nutrition and micro-finance. These professionals were asked to rank the importance of Title II program implementation in the sectors referenced above by ranking these types of programs from "very important" to "less important" in terms of their capacity to produce direct changes in the impact indicators under consideration. The results are summarized in the accompanying table.

*Findings* – The survey results indicate that, according to agency professionals, the impact of programs in health and nutrition are expected to be much more evident in terms of reducing chronic malnutrition, whereas agricultural and micro-credit programs will have a larger impact on increasing household incomes. The impact of cooperating-sponsor programs on the concept of basic needs was unclear, perhaps because several of the components of that indicator seemed to bear very little relationship to food security.

*Future Steps Required* – In order to establish the relationships between the selected impact indicators and program outputs or intermediate results, surveys of representative samples of program beneficiaries should be utilized. If these relationships cannot be established, it may be advisable to reconsider the impact indicators being utilized. In the case of low weight-for-age and height-for-age indicators, for example, the impact of agency programs is unlikely to be observable in the beneficiary population for 2 – 3 years. In this case, proxy substitutes such as low birth weights and infant mortality might be considered in the interim. It will also be necessary to control for the presence of other intervening factors, such as the implementation of other donor programs working in the same target population, when attempting to attribute impact to program interventions.

Once the statistical relationships between impact indicators and program outputs or intermediate results indicators are established, questions that relate to the attribution of impacts must be carefully assessed. It may be sufficient to undertake occasional surveys of representative samples of the beneficiary populations, and then extrapolate program impacts from program outputs or intermediate results on a periodic basis. Given the projected decline in available funding, this would seem preferable to the cost of periodic measurement of impact indicators for all beneficiaries.

### 2.1.2 Availability and Sufficiency of Information on the PL-480 Programs

The information submitted by the cooperating sponsors of the PL 480 project was exhaustively reviewed.<sup>6</sup> With respect to the sources reviewed, we found the following with respect to their availability and their adequacy:

In a global sense, we can say that the information reviewed permitted us to evaluate the results of the PL-480 program in terms of number of children vaccinated, number of hectares planted, and other similar indicators of program outputs. But the information was insufficient for a

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<sup>6</sup> See Annexes I and II.

program impact evaluation with respect to malnutrition and increases in household income. In addition, the agencies apparently do not track a number of key indicators of intermediate results. In agriculture, for example, they do not track product sales, or even increases in production volumes or yields. In micro-credit, it was not possible to compare the delinquency rate by type of client (i.e., urban vs. rural, agricultural producers v. processors, male v. female), over time.

### **Annual Reports**

There is a disparity in the standardization and structure of these reports, which makes it hard to find information on indicators, goals, results, and especially, budget information, which was not broken down in a standardized way by the cooperating sponsors, nor disaggregated by subprogram or activity. This limited the ability to conduct a comparative analysis among the subprograms of the three Sectors that could compare costs with results.

The annual reports from 1996 were utilized initially as the baseline for each subprogram executed. But because of the limitations encountered in establishing measures for the performance of the diverse activities, the agencies decided to access other baseline studies that identified quantifiable indicators. Nevertheless, the diverse systems that were implemented all tended to emphasize the reporting of program outputs, as opposed to results.

### **Baseline Documents**

The baseline studies were oriented toward presenting a diagnosis of the situation of the target population in order to suggest practices and/or strategies of intervention. These put little emphasis on showing the status of the selected indicators that show the initial situation of the target population with respect to the desired objectives and results. Only in some cases do the monitoring and evaluation systems take up the indicators defined in the studies.

### **Logical Framework of the Programs**

The programs have initial logical frameworks that have been modified principally in relation to the goals and indicators. Their continued development, after a period of pronounced changes and modifications, has improved the precision of the goals and indicators.

### **Budget Information**

There is budget information at the program level, which was provided by the cooperating sponsors for the financial cost-effectiveness analysis. Nevertheless, this is not presented in a structured and standardized way at the subprogram level, in a way that allows the disaggregation of information by type of activity (e.g., agricultural production, livestock production, processing and commercialization, basic health and nutrition education, construction of potable water systems and latrines, integral health (including vaccinations), various micro-credit technologies, etc.).

Apparently disaggregated cost data are not collected and maintained by the agencies. The agencies did provide information with respect to total administrative costs related to the PL-

480 program, information that apparently is not collected routinely by USAID. But without disaggregated cost data, by subprogram or activity, comparative analysis of cost-effectiveness among sub-programs or activities is not possible.

### **Pertinence of the Information**

The cooperating sponsors expend a good deal of time and resources collecting indicators of their program outputs. The problem is that the data being collected frequently have little pertinence to the task of monitoring and evaluating program results or impact. In the case of agriculture, for example, the cooperating sponsors need to begin measuring the value of the increased production, as well as increases in productivity, attributable to their agricultural sector programs. Because they do not, there is no way to relate their program outputs (e.g., increase in number of hectares utilizing improved technologies) to increases in household income.

Similarly, in the case of micro-credit, at least until very recently the cooperating sponsors have not collected and maintained data on indicators like number of loans and delinquency rates by type of beneficiary (rural v. urban, agricultural production v. food processing, and so on); or loan technology (communal banks, solidarity groups or individual loans). This means, for example, that despite claims of success in extending micro-credit technologies to small-holder agricultural producers in rural Peruvian regions, there is no way objectively to validate such claims.

The foregoing suggests that the agencies could streamline their data collection efforts relating to program outputs to focus more on intermediate results, without necessarily increasing the overall cost of their monitoring and evaluation activities. But it is not really possible to determine whether this can be done without reference to specific indicators and the cost of collecting them.

### **Potential Intermediate Results Indicators**

It is not within the scope of this evaluation to determine what the future list of cooperating-sponsor results indicators should be, nor the budget for carrying them out. Instead, the terms of reference mandate an evaluation of the past performance of the activities sponsored by the cooperating agencies based on data that are currently being collected by them.

More important, the selection of indicators that should be collected in the future ought to be accomplished under a procedure that is fully participatory, involving both USAID and the cooperating sponsors, as well as representative beneficiaries, in the planning and implementation of the monitoring and evaluation system to be implemented.

Nonetheless, in response to questions and comments that have been put forward in the consultation process engaged in with cooperating sponsors, and USAID, the following presents an illustrative list of potential intermediate results indicators that can serve as a basis for this discussion. It is to be stressed that, as intermediate results indicators, these are not intended to represent the ultimate impact or sustainability of the activities in each sector, but instead to provide a methodology for monitoring results. And, of course, that the list is only intended to

be illustrative; it is likely to change substantially upon review and discussion among the stakeholders involved.

### **Agriculture**

1. Increase in sales attributable to the program (annual, in \$)
2. Increase in employment generated (jobs generated by increased sales, number of jobs, including seasonal employment generated)
3. Increase in production volumes attributable to the program (annual, by product, in metric tons)
4. Increase in yield attributable to the program (annual, by product, in metric tons)
5. Increase in production value attributable to the program (annual, \$)
6. Increase in exports attributable to the program (annual, in \$)
7. Number of small-farmer organizations offering fee-based technical and other services to members (cumulative)
8. Number of small-farmer organizations attaining self-sufficiency (cumulative)
9. Number of small-farmer or small-farm-organization projects financed (cumulative)

### **Health and Nutrition**

1. Low weight-for-age for children between 24 and 35 months
2. Low height-for-age for children between 24 and 35 months
3. Proportion of children getting breast-fed only during the first six months
4. Proportion of children from 6 to 35 months receiving 4 or more meals per day
5. Proportion of children from 12 to 23 months with complete vaccinations
6. Percentage of live births under 2500 grams
7. Number of households with access to potable water
8. Number of families with latrines

### **Micro-credit**

1. Total value of loans extended, annually, in \$, by type of credit technology (eg., solidarity group, communal bank, individual borrower)
2. Number of loans extended, annually, by type of credit technology
3. 30-day delinquency rates, year-end, by type of credit technology
4. Total value of loans extended, annually, in \$, by type of recipient (eg., rural v. urban; agricultural production v. food processing or other; women recipients; extremely poor recipients)
5. Number of loans extended, annually, by type of recipient
6. 30-day delinquency rates, year-end, by type of recipient
7. Operating sustainability rate (financial income/total operating costs)
8. Financial sustainability rate (total revenues/total operating costs plus the opportunity cost of capital)
9. Net earnings to equity ratio

### 2.1.3 Monitoring and Information Systems

The field work findings and the review of secondary sources have been analyzed from three perspectives: a) design and organization, b) implementation of the systems and c) use of the information.

#### Design and Organization

With respect to this point, it is important to mention the efforts of the staff of each subprogram to establish a mechanized system for data-compilation. The Monitoring and Evaluation (M & E) systems help make information available that will allow the improvement of management abilities at the different levels so that pertinent adjustments in the implementation of their activities can be made.

Nevertheless, it is necessary to identify the real functions, differentiating these from the formal functions that have been stated. In practice, the function of monitoring and evaluation is understood in many cases only as the collection of information. It is important to emphasize that the functions of M & E transcend the collection of data, and that more attention must be placed on incorporating M & E into management decision-making. This includes, among other things, reporting the advances that are being made, determining the difficulties that arise, and suggesting corrective measures.

#### Design

The M & E systems should allow impacts and results to be traced. The problem is that in many instances the data that are necessary are very expensive to compile, because they should really come from detailed surveys and analysis. This is, of course, one of the reasons why the cooperating sponsors now principally collect program output data, since these are relatively cheap to compile. And, considering in perspective a probable reduction in funds (80%) in PL-480, a more expensive system of M & E designed to trace impact and results appears out of the question.

One means to confront the cost question would be to conduct occasional, representative-sample surveys of the target population, in order to establish the relationship between program outputs – the number of mothers/schoolchildren who are trained in health practices, for example, and impacts – the reduction in malnutrition. Once these relationships are statistically established, it will be possible quickly to extrapolate the impacts of the programs based on readily available program output data.

#### Focus

It is important to mention that some cooperating sponsors recognize the benefit of organizing a Monitoring and Evaluation unit outside of the implementation unit of the subprogram or project. The Monitoring and Evaluation function in many cases is assumed by the very same people who execute the subprograms. Even though they are called supervisors, in practice, they are responsible for the implementation of the subprograms. It is recommended to constitute Monitoring and Evaluation units external to the execution of the programs. These

units would constitute performance tools, with the ability to measure progress, spot difficulties and suggest corrective measures, with a focus on Performance for Results.

The reports of the Monitoring and Evaluation systems emphasize program output indicators, of which there are a large number. Some of the personnel of the units recognize that this is excessive, but they gather these indicators because it is already built into the system.

The fact needs to be highlighted that some cooperating sponsors suggest carrying out the Monitoring and Evaluation with a focus on final results. Nonetheless, by and large, this has not yet been implemented.

In a focus on final results, the indicators will have to be given a hierarchy based on the strategic priority of the program, separating carefully the measurement of program products (eg., number of hectares planted in improved seed varieties) versus intermediate results (eg., increased yield, production or sales) or impacts (eg., increased household incomes).

### **Implementation of the Monitoring Systems and Evaluation**

The tasks and demands of the systems require that cooperating sponsor personnel spend between 15% and 30% of their total work time in this effort. In some cases, the complexity of the reports required, and the changing strategies and priorities, have resulted in a significant increase in administrative effort. But in contemplation of significant budget cuts, it may be necessary to reduce the reporting mandate in line with the need to streamline administrative costs.

### **Use of the Information**

The notes and reports produced are essentially directed to USAID and the staff of the central headquarter of cooperating sponsors in Lima; the development of reports destined for the target population or beneficiaries are in the beginning stages. At the same time, fluid communications between the donor and the agencies on these topics has been noted, which implies that both are learning how to improve the implemented systems.

Although there are some reports that are destined in some cases to government entities, these are emitted without carrying out a follow-up on their probable use. Likewise, there is no major effort being made so that these or other agents, separate from the program in question, make use of the information. Nevertheless, it is important to recognize the use of the information that has been made by some government organizations.

**Decision making.** The use of the information for cooperating-sponsor decision making is still in the process of being developed. Formally it is declared that a high level of motivation exists for the use of the information by the different levels of program management; nevertheless, the actions carried out to implement such a system are weak.

**Return of the information.** The return to the beneficiaries of processed information is well-recognized by both the technical supervisors as well as the beneficiaries as an important

component for the improvement of the level of participation by the beneficiaries in the project. But the delivery of this is still well from being an organized practice.

Involving the beneficiaries in collection of the data needed for monitoring and evaluation leads to a focus of participatory planning and execution.

The cooperating sponsors should review their information requirements with USAID/Peru. For its part, USAID needs to revalidate its functions with the agencies to encourage them to commit themselves to report in a concise and coherent manner given the resources they have at their disposal. A participatory planning, monitoring and evaluation process is recommended to develop and implement an optimal system. It is important to indicate that the agencies could enter into a process of refining their M&E units to pursue a focus on Performance for Results.

**Information Dissemination.** The PL-480 Information System, which appears on PRISMA's web page, is the result of the efforts carried out by the cooperating sponsors and USAID. This effort should be continued in the direction of standardizing the results indicators.

## **2.2 Assessment of Activity in Terms of Cost-effectiveness**

### **2.2.1 Comparative analysis of financial cost-effectiveness**

The objective of this section is two-fold. First, it provides an analysis of the administrative efficiency with which the cooperating sponsors implement their various programs within the principal sectors under consideration. Second, it analyzes the ability of cooperating sponsors to obtain or "leverage" additional resources from other donors or governmental institutions.

The relevance of administrative costs is that they can provide guidance to project management in relation to budgetary assessments and actions that must be undertaken in as they confront shifts in the availability of resources.

The significance of leveraging is that, 1) It tends to validate the program or activity strategy, i.e. other donors "buy-in" to the program or activity because they believe in the technical soundness; and 2) It can, to some degree, serve as an indicator of future sustainability. This is particularly true in the case of programs that are linked to the public sector (e.g. health and nutrition). But it is also the case that microfinancing can achieve substantial leveraging, first through utilization of loan reflows, and second, [ once the institution formalizes. ] through the potential to gain access to financing from external sources.

#### **Administrative costs**

To assess financial cost-effectiveness, cooperating sponsors were asked to provide data on administrative costs, leveraging and total PL-480 funds appropriated, by program annually. In addition, agency representatives were asked to provide information about the amount of staff time that was devoted solely to monitoring and evaluation activities.



The major findings that flow from the analysis are provided below:

- While a comparison of administrative costs among the four cooperating sponsors is not the subject of this Evaluation, it was observed that administrative costs for these institutions ranged between 14 % – 33 % of total budget costs.
- The programs of the international cooperating sponsors demonstrated significantly higher administrative costs than did those of local cooperating sponsors.
- The proportion of total agency staff time devoted solely to monitoring and evaluation responsibilities ranged from 15% - 30%, representing a fixed cost that will not be amenable to reduction in proportion to reduced PL-480 funding without proactive measures by USAID to streamline reporting requirements.<sup>7</sup>
- Administrative costs in proportion to total PL-480 budgets were highest in the agricultural sector (22%) and lowest in micro-credit (18%). Administrative costs in health and nutrition programs had fallen steadily from 1996 – 1999, in part because under some programs the Government of Peru was absorbing this responsibility.

#### ADMINISTRATIVE COSTS ASSOCIATED WITH PL-480 PROGRAM IMPLEMENTATION BY SECTOR, 1996-1999 (In US \$)

Programs	Total Monetized PL-480 Funds Expended * (1)	Total Administrative Costs (2)	(2) / (1) %
Health and Nutrition	44,305,703	9,237,802	20.9%
Agriculture/Productive Infrastructure	50,848,474	11,284,061	22.2%
Microfinance	7,190,916	1,311,273	18.2%

\* Since some of the cooperating sponsors conducted programs with PL-480 funds that are not subject of this evaluation, the grand total of PL-480 funds expended by these entities during this time period exceeds the total spent on the above referenced sectors.

SOURCE: ADRA, CARE, CARITAS AND PRISMA

<sup>7</sup> This is not to suggest that the agencies have spent more than they were expected to. USAID guidelines state that monitoring and evaluation costs should range between 3% and 10% of total program budgets. Based on figures reported by the four agencies, average annual administrative costs were 21.7% of total PL-480 budgets during the period under review. Thus, the range of 15% - 30% for monitoring and evaluation costs, applied to total administrative costs, would imply an annual expenditure on monitoring and evaluation of from 3.26% to 6.51% of total budgets, well within the expected range. Moreover, this undoubtedly overstates actual monitoring and evaluation costs, because administrative costs include many line items of expenditure other than staff compensation.

## Leveraging of Resources

The table below provides an indication of the degree to which the cooperating sponsors were able to leverage resources in the implementation of their PL-480 programs:

**LEVERAGING OF RESOURCES FOR PL-480 PROGRAMS  
BY SECTOR, 1996-1999 (In US \$)**

Programs	Total Budget Including Leveraged Resources (1)	Total PL-480 Funds Expended* (2)	Leveraging Ratio (1) / (2)
Health and Nutrition	83,755,281	44,305,703	1.89
Agriculture/Productive Infrastructure	66,785,188	50,848,474	1.31
Microfinance	10,883,533	7,190,916	1.51

\* Since some of the cooperating sponsors conducted programs with PL-480 funds that are not subject of this evaluation, the grand total of PL-480 funds expended by these entities during this time period exceeds the total spent on the above referenced sectors.

SOURCE: ADRA, CARE, CARITAS AND PRISMA.

The major findings that flow from the leveraging data analysis are summarized below:

- Leveraging added more than 56% to the total amounts of Title II assistance monetized from 1996 – 1999, financed both by Government of Peru contributions and the own resources of the cooperating sponsors, indicating that a substantial potential exists.
- Leveraging proportions were highest in health and nutrition programs (augmenting PL-480 funding by 89%), in part because of growing contributions from the GOP. Cooperating sponsors also agreed, however, that the loss of flexibility entailed by increased GOP leveraging tended to reduce the effectiveness of their programs.
- Leveraging proportions in agriculture and micro-credit programs were lower in part because impacts in these sectors are replicated through private, market forces, rather than through adoption of program responsibility by government.
- In cases in which cooperating-sponsor strategies and priorities were not in accord with shifts in USAID strategies and priorities, a noticeable drop in leveraging from own resources occurred. It is also to be expected that, as PL-480 funding falls by some 80% during the period 2002 – 2008, the strategies and priorities of the cooperating sponsors will gain in importance for overall food security efforts.

### 2.2.2 Comparative analysis of impact contribution

The ideal quantitative methodology to utilize in assessing and comparing the impact of the different types of activity supported by PL-480 financing would be as follows. First, assess and compare the relative contribution of the activities in terms of a common impact variable. Second, assess and compare the relative cost of the activities in terms of the expenditure that would be required for each alternative activity to achieve an equivalent level of impact. Third, to the extent possible, take into account other factors – the extent to which activity results are interdependent and inseparable, for example – that may affect the analysis. And finally, make a determination as to which activities achieved the greatest impact per dollar spent.

The following are the problems, both theoretical and practical, encountered in respect to implementation of such an approach in this instance:

**Impact comparisons.** Many of the activities are simply not comparable in terms of impact. As reviewed in the previous section, the activities fall broadly into two groups – those which contribute to reductions in chronic malnutrition, and those which contribute to increases in household income. It makes little sense, however, to assess the impact of child vaccinations in terms of a rise in household income; or the impact of building rural access roads in terms of reductions in malnutrition. This means that there is no common impact indicator that can serve as a comparator in these cases.

**Inadequate results indicators.** Also as discussed above, the indicators that are being collected are wholly inadequate to the task. The relationships between program outcomes (number of children vaccinated, for example), and impacts (reduced malnutrition), have yet to be established statistically. And data on many key intermediate results (increased agricultural production, yields, or sales, for example; or micro-credit delinquency rates by type of client) apparently are not collected at all, or have been collected beginning only recently.

**No disaggregated cost data.** Perhaps the most serious problem, however, is that information is not maintained concerning amounts spent by subprogram, so that it might be possible to determine amounts spent by type of activity. Apparently it simply is not known how much the cooperating sponsors spend on activities to promote agricultural production as opposed to, say, rehabilitating rural roads; or on vaccinating children, as opposed to building latrines.

#### Meeting results targets

One alternative is to compare types of activities in terms of the extent to which the indicators of program outputs achieved under those activities either exceed, meet or fall short of the results that were projected at the inception of each program. The accompanying table attempts such an exercise, based on the data that are available concerning projected and realized results, aggregated broadly among the cooperating sponsors by type of activity.<sup>8</sup>

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<sup>8</sup> These are the only data that could be aggregated among the agencies by subprogram or activity, given the varying definitions and concepts utilized in their respective monitoring and evaluation systems.

From this table it is evident that the cooperating sponsors have achieved a considerable amount of success, and indeed in several cases they have substantially exceeded their program targets. But the exercise also raises a number of questions about whether this quantitative methodology is really suitable for distinguishing among the different types of activity in terms of cost-effectiveness.

PL-480 Monetized Program Outputs Projected and Achieved, 1996-1999				
		Results		
	Indicator	Projected (1)	Achieved (2)	(2)/(1) (%)
<b>Health &amp; Nutrition*</b>				
Integral Health	Increase in no. of vaccinated children (age 12-24 months)	23.1%	16.9%	73.2%
Education	No. of trainees (basic health, food preparation)	400,899	365,909	91.3%
Basic Sanitation	No. of public works (potable water systems, latrines)	16,334	25,775	157.8%
<b>Agriculture**</b>				
Production	No. of hectares with better production methodologies	31,505	29,125	92.4%
	No. of hectares planted with agroforestry technologies	43,756	43,107	98.5%
	No. of hectares with new/rehabilitated irrigation systems	53,057	36,009	67.9%
Productive Infrastructure	Kms. of rural access roads constructed/rehabilitated	19,733	21,668	109.8%
Commercialization***	Tonnage of agricultural products sold	1,829	2,365	129.3%
<b>Micro-credit</b>				
Number	Women receiving loans	14,506	13,333	91.9%
	Loans via non-traditional revolving funds	4,448	4,355	97.9%
Number of Institutions***	Community banks	829	895	108.0%

\*1998 - 1999

\*\* 1996 - 1999 (1997 - 1999 for Caritas)

\*\*\* only one cooperating sponsor reporting on this concept

The main question is, what was the basis for the projected results in the first place? Although baseline studies may have been carried out, frequently the basis for projecting results into the future is somewhat sketchy, at best, meaning that the comparison among different types of activity of results projected with results achieved becomes somewhat arbitrary. So, for example, one interpretation of the data in the above table is that, in those cases in which the targets were under-achieved, this may have been due to overly ambitious results projections made at the inception of the programs.<sup>9</sup> Unfortunately, this would also mean that exceeding the programmed targets does not necessarily translate into greater success, either.

In fact, it is not possible quantitatively to compare the cost-effectiveness of these activities based on the data that have been collected and reported by the cooperating sponsors. The ideal would be to compare results achieved in terms of impact per additional dollar spent. This cannot be done because disaggregated cost data simply are not maintained by the agencies. The alternative of comparing results achieved against those projected places far too much weight on the projections, and none on relative impact.

<sup>9</sup> This also would explain in part the several occasions in which the targets were amended in subsequent DAP amendments. See the sectoral assessments in sections C, D and E, below.

### 2.2.3 Comparative analysis of economic cost-effectiveness

The data available to analyze financial cost-effectiveness were analyzed above, in section 2.2.1. Section 2.2.2 discussed the difficulties encountered in assessing and comparing economic cost-effectiveness in terms of quantifiable indicators of impact achieved. This section addresses the qualitative analysis of economic cost-effectiveness.

Economic cost-effectiveness in this section is defined in terms of the sustainability and replicability of the impacts of the activities supported by PL-480 assistance – since it is clear that if program impacts are not sustainable, and replicable, they will be transitory. In other words, if the impact of the activity is erased over time, it really cannot be considered a sustainable impact.<sup>10</sup>

The analysis is based on field work carried out to review the programs of all four cooperating sponsors, as well as extensive interviews with cooperating-sponsor representatives in Lima. It draws upon the three sectoral assessments that are presented later in this report.

The presentation in this section is organized by broad types of activity within each sector, as opposed to the programs and subprograms of each cooperating sponsor, with the objective of identifying those types of activity that are most economically cost-effective in terms of sustainability and replicability.

#### Health and nutrition programs

- Food distribution programs have increased the availability of food to vulnerable populations, and in particular children and lactating mothers. Although this has had the immediate effect of reducing malnutrition, the impact is not sustainable unless accompanied by other measures to improve health, nutrition, and household income.
- Accordingly, PL-480 funds have been increasingly monetized to provide programs in the health and nutrition, agriculture and micro-credit sectors. And, as part of USAID's PL-480 phase-down strategy, fiscal responsibility for food distribution programs is being shifted completely to the Government of Peru.
- Concerns remain about the effectiveness of the GOP's food distribution activities, and in particular that extreme poverty in rural areas of lesser political or economic importance is not receiving the attention it deserves. USAID does not monitor the effectiveness of the GOP's food distribution program.
- One-time education programs for mothers and schoolchildren in basic health and nutrition practices are effective and their impacts sustainable; and by training some of the mothers to promote good health and nutrition practices, the impacts may be replicated at no additional cost within the community at large.
- Integral health promotion activities have greatly increased the extent to which public health services (including vaccinations) are utilized, with a beneficial impact on the health of the target population. The sustainability and replicability of the activities, however, depends in

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<sup>10</sup> This concept of the sustainability of the impact of the PL-480 activities is the basis for analysis throughout this section.

large part on the ability of the cooperating sponsor to develop a cooperative relationship with local health authorities. The experience of at least one cooperating sponsor indicates that this is achievable.

- Programs to improve basic sanitation, including potable water projects, construction of latrines and garbage removal, have improved community health; but to the extent that investments are made in extension or rehabilitation of public infrastructure, unless measures are institutionalized to pay for future operation and maintenance, the impacts will not be sustainable.
- The programs that have most successfully collaborated with counterparts in the Ministry of Health (MINSA) have strengthened the capacity of MINSA staff to continue providing effective programs once the PL-480 program phases out. The benefits in terms of program sustainability are thought to have more than outweighed the loss of flexibility that such collaboration has entailed.

### **Agriculture and productive infrastructure programs**

- The programs of the cooperating sponsors confirmed that one-off donations of planting materials are one of the most effective means of increasing productivity among poor smallholders in a sustainable and replicable manner, as long as the products promoted reflect market signals and potential.
- There was a tendency, however, to focus technical advice, training and demonstration plots on existing cropping patterns, without considering market signals and opportunity costs; one negative example was the emphasis of several programs on increasing production of potatoes, despite saturated markets, lack of effective storage and distribution systems, and low prices.
- Organizational strengthening activities tended to neglect the necessity to organize small farmers into economic associations capable of improving business performance, sharing costs, ensuring quality control, and dealing with intermediaries.
- Product commercialization efforts frequently neglected to engage private sector intermediaries and partners; instead, in some programs, either state agencies or the cooperating sponsors themselves ended up buying the product.
- While rehabilitation and expansion of rural roads increased small-farmer access to markets, in several cases the programs of the cooperating sponsors neglected to institutionalize measures for future maintenance of the roads.
- Traditional revolving funds, while increasing the access of small farmers to credit, have tended to rely on subsidized terms; and this may end up obstructing future efforts to establish sustainable rural credit systems.<sup>11</sup>

### **Micro-credit programs**

- Through PL-480 funding, USAID has encouraged innovation in micro-credit programs targeted on poverty and extreme poverty in rural areas. One strength of these programs is that they have charged market interest rates.

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<sup>11</sup> USAID withdrew PL-480 support for the promulgation of traditional revolving funds in 1999.

- The time that has elapsed since these programs were conceived is relatively short; nonetheless, it is clear that standard micro-credit programs must be re-designed to meet rural client needs (for agricultural clients, this means taking into account production and harvest cycles, for example).
- To the extent that data are available it appears that rural micro-credit portfolios evidence higher loan delinquency rates than urban micro-credit portfolios, an indication that the former cannot yet be considered successful.
- Micro-credit programs cannot be focused exclusively on extremely poor clients, because of narrower economic opportunities, and higher fixed costs and/or risk.
- Village banking, although offering a higher success rate in targeting the extremely poor, is less applicable to agricultural activities.
- Solidarity groups, although less applicable to the extremely poor, are amenable to making livestock loans.

### **Strengthening economic cost-effectiveness**

The following conclusions and recommendations pertain to the relative merits of cooperating-sponsor activities in the three sectors, in terms of achieving sustainable results on food security.

- **Integral health programs** should focus increasingly on the institutional strengthening of and collaboration with the public sector institutions that eventually will take them over.
- **Investments in public infrastructure** should not be undertaken in the absence of clear and credible measures to institutionalize the means to pay for future operations and maintenance.
- **Agricultural production assistance** activities should always be based on market signals and demand, including the opportunity cost of production in the case of own-production. In other words, the focus of the activities must be to increase the value, not the volume, of small holder production.
- **Organizational strengthening** activities should focus on helping small holders to improve their business performance, share costs, ensure quality control and deal with intermediaries and other business partners.
- **Rural micro-credit** programs are still largely unproven, and their results need to be monitored by type of beneficiary, and type of loan technology, prior to being pronounced either a success or failure.
- Although **complementary technical assistance and training** to increase production and open access to markets is important to the success of rural micro-credit programs, it is not appropriate for these services to be provided by the lender.
- **Formalization** of the micro-credit intermediaries that have been supported by PL-480 financing should be an explicit objective, although agreements with formal microfinancing institutions to manage the credit portfolios may also be considered.

### 3. Objective 3: Future Directions

In accord with the terms-of-reference for this evaluation, the purpose of objective 3 is to develop parameters of a strategy to program future cooperating-sponsor food security activities in Peru for the period 2002 – 2008. The objective is to build on the findings and recommendations from the first two objectives, and “lessons learned” in terms of achieving sustainable results, cost-effectiveness and program efficiency. The analysis also must take into account the strategic planning processes currently underway in USAID/Peru, as they may affect the future of the Title II program.

The terms of reference for objective 3 of the evaluation also pose a series of five questions to be addressed within the analysis in this section, questions which relate directly to the above purpose and objective. For clarity of presentation, the analysis is presented therefore as a series of responses to those questions.

#### 3.1 Approach to the analysis

As previous sections have made clear, there are severe limitations to the ability of the evaluation team to make strategic recommendations concerning the future of the PL-480 program. These include the lack of data on program outputs that are comparable among cooperating sponsors; the lack of data on intermediate results; and the lack of an established relationship between either program outputs or intermediate results and desired program impacts. This is compounded by the absence of data on PL-480 budget expenditures by sub-program, or type of activity, upon which to base cost-effectiveness analysis.

Nonetheless, in the experience of the evaluation team, working in developing countries almost by definition means that the decision maker will not have all the data that might be desirable in hand when strategic directions need to be defined and decisions made. And, although certainly the monitoring and evaluation systems of the cooperating sponsors could be improved, they are nonetheless on average no better or worse than those found in comparable programs in Peru or other countries. Moreover, as presented in the previous sections, and in sections C, D and E below, a good deal of information has been assembled, on the results, administrative costs, leveraging and sustainability of the activities that have been carried out under the PL-480 program, information of the type that can serve as a basis for making strategic recommendations and decisions.

Accordingly, the evaluation team has approached the definition of parameters for the future directions of PL-480 assistance in Peru as follows. Given the available information, the planned reduction in PL-480 allocations, and other prior decisions, what guidance can be provided to program managers as to how to proceed? The following sections outline the approach we recommend.



### 3.2 Responses to questions about "Future Directions"

*(a) Given current thinking and analysis of the major factors affecting Peru's food security, including existing programs of the Government of Peru, what kinds of programs are most important to achieve a sustainable, maximum improvement in food security?*

To approach an answer to this question, the accompanying table begins by summarizing the findings of the evaluation under objectives 1 and 2 in respect to the sustainability of different types of activity within the programs of the four cooperating sponsors.

The types of activity in the accompanying table have been disaggregated and reorganized somewhat from the sectoral headings referred to in the terms-of-reference, in order to group activities similar in character with one another. So, for example, agricultural production, commercialization and "productive investment" have all been separated. The latter have been partially included under a new category, projects to build public infrastructure – from rural access roads to potable water systems, to canals and irrigation systems.

Analysis relating to the different headings describing the levels of sustainability of the activities is drawn from the discussion of the activities in sections B.1 and B.2, above, as well as C, D, and E, below.

Briefly, the concept of **sustainable as being carried out** simply means that the results and impact of the activity as currently being implemented by the cooperating sponsors appear to the evaluation team to be sustainable. Examples include one-off training modules for adults and schoolchildren in basic health and nutrition practices, and strengthening of governmental institutions that will increasingly take over responsibility for health and nutrition programs. These activities should be given the highest priority in terms of achieving sustainable impacts.

A number of activities fall into the category of being **sustainable with recommended measures by cooperating sponsors**. This pertains to assistance in agricultural production, through donation of planting materials and accompanying technical assistance and training, or development of demonstration plots. The idea here is, these activities have a very high potential to achieve a sustainable impact, but only if the crops that are emphasized by the cooperating sponsors are reflective of market signals and demand. Similarly, the organizational strengthening of small farmers' economic associations can produce sustainable results, as long as the cooperating sponsors place more emphasis on the economic part of the association – strengthening business skills, ensuring quality control, sharing costs and dealing with input suppliers and intermediaries. These activities should be given priority once the cooperating sponsors adopt the measures recommended to ensure sustainability of their results and impact.

Another series of activities falls within the category of **sustainability depends on actions outside control or comparative advantage of cooperating sponsors**. The development of marketing strategies, establishment of forward and backward business linkages, and so on, in the opinion of the evaluation team, falls well outside the comparative advantage of the cooperating sponsors. In these cases, they should rely on the inputs of other activities, like

**Sustainability of Different Types of Activity  
Carried out by Cooperating Sponsors Utilizing Monetized PL-480 Funding**

Sector/Sub-sector	Type of activity	Sustainable as being carried out	Sustainable with recommended measures by cooperating sponsors	Sustainability depends on actions outside control or comparative advantage of cooperating sponsors
Health & Nutrition	Education programs	✓		
	Integral health programs		✓	
	Institutional strengthening	✓		
Agricultural Production	Donation of planting materials		✓	
	TA/training/demonstration plots		✓	
Commercialization	Organizational strengthening		✓	
	Marketing/business linkages			✓
Public Infrastructure	Rural access roads			✓
	Potable water systems		✓	
	Canals, irrigation systems			✓
Micro-credit	Urban clients		✓	
	Rural clients		Unknown	

those related to the Economic Corridors strategy, to ensure that the agricultural production advice and planting materials they provide to small farmers reflect market opportunities and demand. (The technical services centers of the Poverty Reduction and Development (PRA) project should begin to provide marketing assessments and plans, for example.)

Similarly, sustainability in terms of future operations and maintenance of public works projects, like rural access roads, or irrigation systems, really depends on the responsible public entity's willingness and ability to finance those recurrent expenditures, and as such falls well outside the control of the cooperating sponsors. In the case of rural access roads, the responsible public entity is normally the municipality which, in turn, is almost entirely dependent on the central government to allocate the required resources for the upkeep of rural roads. It is for this reason that so many of the cooperating sponsors' activities in this area have

involved the rehabilitation of access roads – which had not been adequately maintained by the responsible municipality.

A similar concern is registered in regard to irrigation systems shared by a number of local farmers. If they are built and maintained by private small-farmer associations, they may in fact be sustainable in terms of the allocation of financing for recurrent costs by those associations. Beyond technical support and training in the organizational strengthening of the association itself, however, the team recommends that the projects should be financed privately, through credit extension programs or otherwise, and not through grants from the PL-480 program. Again, the allocation of PL-480 resources to the rehabilitation of such systems is an indication that financing for upkeep of the systems has been a problem in the past.

In both these cases, the position of the evaluation team is not that the activities should not be performed, but that they would best be performed by entities other than the cooperating sponsors supported by PL-480 funding. An exception in the case of potable water systems relates to public infrastructure that can be maintained through direct community support that is not dependent on municipal, or central government, financing. If this type of mechanism can be fostered by the implementor, the impact is much more likely to be sustainable. Apparently cooperating sponsors have encountered considerable success in this form of community organizational effort to levy rates from local users..

As regards **micro-credit** activities, it appears to the evaluation team as if micro-credit activities in urban areas are very likely to be sustainable as long as the measures recommended in this report – principally to aim for formalization of the micro-credit institution, or for management of its portfolio by a formal micro-credit institution – are implemented. Nonetheless, although innovative and promising, the sustainability of the micro-lending activities in the case of rural clients, and especially small agricultural producers, is not yet proven. The evaluation team recommends that, following a defined pilot period of from 18 – 24 additional months, these activities should be reviewed to see whether they should continue to be financed by the PL-480 program.

*(b) Given the cooperating sponsors' and USAID/Peru's food security strategic framework, including projected resource levels, what is the best use of Title II resources?*

The previous section developed an approach to sorting cooperating-sponsor activities according to their level of sustainability. The analysis led to the conclusion that some activities, which are sustainable as currently being carried out, should receive high priority for future funding. Other activities required the implementation of measures by the cooperating sponsors before they could be considered sustainable. A third group either fell outside of the comparative advantage of the cooperating sponsors, or were dependent on actions outside their control, often by Peruvian authorities, to achieve sustainability.

The implications of that analysis in terms the best use of future Title II resources are summarized as follows:

- Health and nutrition programs should focus increasingly on education programs and the institutional strengthening of and collaboration with the public sector institutions that eventually will take over integral health programs.
- Organizational strengthening of small-farmer economic associations should focus increasingly on improving business skills, quality control, cost sharing and establishing strong business linkages.
- Agricultural production assistance activities should always be based on market signals and demand, and in particular, should rely on and incorporate strategic marketing approaches provided by other USAID-supported activities, like the PRA activity (an offshoot of the Economic Corridors strategy).
- Investments in public infrastructure, from rural access roads to construction of canals and irrigation systems, should be phased out of the PL-480 portfolio, and a concerted effort made to encourage their adoption by responsible public authorities. An exception may be made in the case of potable water systems in which local community groups organize to levy rates from local users.
- Following a defined period of from 18 – 24 additional months, rural micro-credit activities should be reviewed to see whether they should continue to be financed by the PL-480 program.

*(c) Given the relative impact and efficiencies of monetization programs versus those using food for direct distribution, what should be the breakdown of monetization versus direct distribution of Title II resources?*

As mentioned in previous sections, although food distribution programs have reduced chronic malnutrition among vulnerable population groups, this impact is not sustainable unless accompanied by other measures to improve health, nutrition, and household income.

Accordingly, the evaluation team takes no issue with the policy decision of USAID to phase-out PL-480 food distribution activities in favor of the Government of Peru. The programming of the monetized funds toward the achievement of sustainable improvements in health, nutrition and household income is entirely appropriate.

Nonetheless, concern remains about the effectiveness of the GOP's food distribution activities. Although USAID does not monitor the GOP's food distribution program, several independent reports allege that extreme poverty in rural areas of lesser political or economic importance is not receiving the attention it deserves.

Concern about the effectiveness of GOP food distribution programs could be mitigated if responsibility for implementation of the programs were contracted out on a competitive basis to NGOs. This would allow the cooperating sponsors to compete for awards within an area in which they have considerable experience and comparative advantage. At a minimum, USAID

should monitor the effectiveness of GOP food distribution programs within the context of its ongoing policy dialogue.

*(d) Given projected Title II resource levels from 2002 – 2008, what would be an optimum number of programs funded by Title II?*

In deriving its conclusions and recommendations, the evaluation team has taken as its touchstone the fact that PL-480 funding is programmed to fall by 80% from levels averaging \$50 million annually during the next five years. Although what is meant by "an optimal number of programs" is not entirely clear, the assumption made here is that this question relates to the award of future cooperative agreements to cooperating sponsors. The following approaches this topic from a financial cost-effectiveness perspective. It should be stressed that this is not the only perspective, but it does provide certain parameters to guide future programming decisions.

**Administrative costs.** One financial consideration relates to the fixed costs of the cooperating sponsors, and in particular, their administrative costs. The evaluation team found, for example, that the programs of the international cooperating sponsors demonstrated significantly higher administrative costs than did those of the local cooperating sponsors. Although streamlining is possible, by definition fixed costs generally are not amenable to reductions on the order of 80%; so this may in fact give the local agencies the cost advantage in a belt-tightening environment. Relying increasingly on local entities certainly has been the trend in other USAID-assisted countries in which budgets have been cut.

Other opportunities for streamlining administrative costs also should be investigated. The evaluation team were told that the proportion of total agency staff time devoted to monitoring and evaluation responsibilities, for example, ranged roughly from 15% - 30%. As reviewed in previous sections, however, much of the data collected cannot be utilized for purposes of assessing program results and impact. Hence, there may be opportunities for the agencies to streamline these reporting requirements, even as they begin tracking a few key indicators of intermediate results, without increasing the overall proportion of their staff time devoted to monitoring and evaluation.

**Leveraging.** Another way to look at financial cost-effectiveness from the perspective of the U.S. Government is by the capacity to leverage outside resources. Indeed, leveraging added more than 56% to the total amounts of Title II assistance monetized from 1996 – 1999, financed both by contributions from the own resources of the cooperating sponsors, and by parallel financing from the Government of Peru.

Clearly, leveraging of PL-480 financing programs through contributions from the agencies themselves is strongly to be encouraged. As mentioned above, however, it is also to be expected that this will mean that cooperating-sponsor strategies and priorities will play a more significant role in future programming of PL-480 assistance than has heretofore been the case.

Cooperating sponsors should also be encouraged to leverage PL-480 resources by collaborating more fully with counterparts in the GOP. One way to make this happen would be for USAID to

include concrete proposals to leverage parallel GOP financing within the criteria for awarding future cooperative agreements.

**Future programming parameters.** The conclusion is that, given projected reductions in resource levels, USAID needs to begin rewarding the cooperating sponsors for streamlined administrative costs, and leveraged financing. This can be accomplished by requiring regular reporting on these measures, and incorporating them as appropriate into competitive criteria for award of future cooperative agreements.

*(e) Given the information needs of the cooperating sponsors and USAID/Peru, what improvements could be made in the management information systems that establish indicators and baselines, identify program targets, and monitor and report on results?*

The evaluation team has found that the indicators collected by the cooperating sponsors do not really provide much basis quantitatively to assess the impact of the programs on such things as chronic malnutrition and household income. The reason is that the indicators collected for the most part track program outputs (number of children vaccinated, number of hectares planted in higher-productivity seed, and so on), rather than intermediate results (increased production volumes or value) or impact (increased household income, decreased malnutrition).

In addition, each of the agencies employs different definitions and measures even of program outputs; and data are not compiled or reported on expenditures by subprogram or type of activity.

Accordingly, the evaluation team has recommended a number of measures that should be taken to improve monitoring and evaluation systems:

- Standardize and streamline reporting of program outputs among agencies;
- Collect and maintain annual data on PL-480 expenditures, by subprogram or activity;
- Begin collecting data on intermediate results relating in particular to agricultural assistance and (by type of client) micro-credit activities;
- Mount occasional surveys of representative samples of the beneficiary populations, to establish the relationship between program outputs, or intermediate results, and desired impacts.

A final consideration is that, with the prospective 80% reduction in PL-480 funds, mandating a more expensive M&E system seems out of the question. Improvements in the monitoring and evaluation systems of the cooperating sponsors therefore need to be accomplished in a way that will allow better tracking of program impacts while nonetheless keeping administrative costs down.

## C. Health and Nutrition Sector Assessment

### 1. Results by Institution

The health and nutrition sector has the broadest scope of the three sector programs undertaken by cooperating sponsors in the framework of the PL-480 Title II, reaching 82.1% of all communities served. The programs tackle food security issues in Peru, including availability of and access to food through free food distribution; training in appropriate and balanced diets; and promotion of activities to improve health.

Programs in health and nutrition sector are implemented among communities that official statistics classify as being extremely poor, and target children under 5 years of age in some cases, or under 3 in other instances. They also target mothers, mostly in their role as proponents of change. Our field visits for this assessment show that the programs are well focused on the target population living in extreme poverty.

Within the health and nutrition program we identified five activity groups developed by the cooperating sponsors:

- Food distribution or the distribution of food packages to families complying with certain selection criteria established by the NGOs.
- Integral health, promoting population contact with government health services and teaching them how to use these services effectively, with nutrition monitoring and follow-up programs implemented by health promoters from the communities themselves.
- Education, information and communications, including the development of training systems to promote a preventive health culture and the observance of good practices for contagious and infectious disease control as well as environmental protection. The programs aim principally at training adults, although we identified one case which focused directly on schools.
- Basic sanitation, including the development or promotion of projects to provide potable water or introduce practices that render water potable, the building of latrines, and the introduction of methods of adequately treating waste materials.
- Institutional strengthening, including leader-training and empowerment initiatives, community organization programs and the preparation of plans for community development, links with government agencies, and strengthening of local Ministry of Health agencies and local governments, all being efforts to link communities to existing services and local authorities and involve them in development initiatives.

All four NGOs have their own strategies and criteria, and carry out their different activities in various health and nutrition fields, and mostly in different geographical areas. More

recently, they have started to share some responsibilities and complement their activities, based on a clearer view of these communities' comprehensive development needs.

ADRA develops the CHILD NUTRITION Program with a target population of children under three. ADRA promotes better health practices, the prevention and early treatment of major childhood diseases, and use of primary health services. It assists in the recovery of malnourished children and distributes first-aid kits with essential medicines. ADRA distributes food to households meeting certain criteria, and implements initiatives to train health promoters and community members directly involved in the program. Until 1999, ADRA trained families to build their own latrines and then launched a specific latrine construction program. Also in 1999, the program launched a community organizational strengthening initiative. ADRA health and nutrition sector activities are integrated with others in the agricultural production sector.

CARE Peru implements the Sustainable Infant Nutrition (NIÑOS) Program, targeting children under 5 with an emphasis on under-threes. Care promotes better health practices, favoring a preventative focus, strengthening active community participation. CARE has three components: Community nutrition, health and nutrition of schoolchildren, and rural water and sanitation. It trains mothers, teachers and schoolchildren in basic health, nutrition and hygiene practices, as well as in the secure use of water. It also helps strengthen the organization and skills of administrative committees of sanitation systems in operations and maintenance. The Niños program implements a community system for nutritional vigilance and works with associations of family fathers, community organizations, local governments and promoters' associations. CARE helps in the institutional strengthening in the health and nutrition sector through technical assistance and transfer of participatory education methodologies. Each of the PL-480 Title II sectors (support to health and nutrition, agricultural production and microcredit) developed by CARE has distinct target populations.

CARITAS del Perú runs the WINAY program directed at children under 5 with a focus on children under 3 years. Its initiatives include recovery of undernourished children, promotion and supply basic health care services, first-aid kit distribution with essential medicines, and health posts. It distributes food aid to households at nutritional risk, trains mothers and implements initiatives to enhance basic sanitation by providing access to safe drinking water and building latrines. Initiatives are also underway to strengthen community capacities for local planning and management. To the extent possible, all PL-480 sectors in CARITAS converge integrally on the same communities.

PRISMA conducts the PANFAR and Kusiayllu Programs. The former targets the population of children under five, while the second targets under-threes. Both Programs promote comprehensive health care initiatives, distribute food packages to families at nutritional risk and train health promoters and Ministry of Health workers. Kusiayllu also seeks to strengthen community institutions to enhance leadership and organization. PRISMA also works with local and regional institutions strengthening their organization. PRISMA also has support sectors for agricultural and microcredit within PL-480 Title II. Each sector has its distinct target populations.



ADRA, CARE Perú and PRISMA have created strong links with local health care authorities to ensure the provision of services to the communities they serve. CARITAS operates on a more independent basis.

ADRA, CARE Perú and CARITAS run local offices in the departments where they operate and enjoy some freedom to develop their plans and programs on the basis of national guidelines. In other words, the three NGOs have started to decentralize their operations. PRISMA has included its program within the Ministry of Health so that activities are coordinated by Ministry officials. The employees of the Ministry exercise coordination of activities in their departments (states). PRISMA has local offices for other activities. All four agencies perform supervision, training and global strategic planning activities. CARITAS is further characterized by the autonomy of its dioceses, although they develop their activities according to common parameters and guidelines.

### 1.1 Best Set of Indicators to Monitor Progress and Results

Each agency has implemented a monitoring system including a broad set of indicators for each aspect of program management, and for processes and programs outputs and impacts. These sets of indicators operate at varying degrees of complexity and respond to each institution's information reporting needs. In all cases the indicators refer to the households of beneficiaries.

While filling each agency's reporting needs, the common indicators have varying target populations, different periods and achieve varying levels of coverage. Moreover, most of them refer to the direct beneficiaries, thus preventing us from establishing global PL-480 results measurements, or better measurements of cost-effectiveness.

A review of the information on which these cooperating sponsors' health and nutrition representatives focus their attention allows to draw the following conclusions:

- All cooperating sponsors use the chronic malnutrition rate as their impact indicator. This is a good summary indicator to the extent PL-480 programs have an impact on food security in itself, as well as on health conditions. However, the calculations refer to different target populations and reference populations. In all cases, however, the indicators refer to the health and nutrition sector of client populations.
- The **Child Nutrition** Program targets children under three and the indicator covers children from 24 to 36 months of age. **Niños** targets children under 5 with a focus on children under 3. It uses indicators for under-fives. **Wiñay** works with under-fives and the indicator covers children from 24 to 35 months. **PANFAR** program works among children under 5 and **Kusiayllu** with under-threes. In these cases, the key indicator refers to children from 24 to 36 months.

Each agency prioritizes different indicators to assess processes and results. This evaluation asked the head of the health and nutrition sector in each agency to identify the indicators they considered as the most important ones, thus obtaining the list in the following table.

**Priority Indicators Mentioned by Health and Nutrition Sector Heads.**

ADRA	CARE Peru	CARITAS	PRISMA
Only breast-feeding during first 6 months	Only breast-feeding during first 6 months		Percentage of families with children under 6 months being exclusively breast-fed
Children getting 5 or more meals per day	Children from 6 to 12 months getting 4 or more meals per day		Percentage of families with 5 or more meals per day
Children recovered from acute malnutrition		Recovery rate by type of malnutrition	Recovery rate
Score Z variation in global malnutrition	Communities with nutritional surveillance system Children under nutritional surveillance	Children under 5 Receiving food assistance and under nutritional surveillance	Percentage of children under anthropometric control
Graduated families		Percentage of Graduated children	Graduation rate
Vaccinated children under one year of age	Immunization coverage rate for children from 12 to 24 months	Vaccination coverage	Vaccinated children under one year of age
Vaccinated children from 12 to 23 months			Vaccinated children from 12 to 23 months
	Prevalence of ADD		ADD cases cured
			ARI cases cured
Pregnant mothers under prenatal control			<u>Pregnant mothers under prenatal control</u>
Weight of child at birth			
	Trained promoters		<u>Trained promoters</u>
		Number of households with drinking water	
		Number of mothers Enrolled in the health promotion cycle	Percentage of persons attending talks

An analysis of the topics mentioned in this table helps to identify the following to be relevant indicators:

- *Impact indicator for PL-480: Chronic malnutrition rate for children between 24 and 35 months.* This indicator has been considered because of its potential to ascertain impact.
- *Rate of children getting breast-feeding only during the first six months.* MINSA uses six months, while other international organizations use 4 to 6 months.
- *Proportion of children from 6 to 35 months receiving 4 or more meals per day.* This indicator agrees with MINSA's recommendations, and reflects good nutritional practices.
- *Monthly average number of children under nutritional surveillance, after standardizing the various entry level criteria used by the NGOs.* Alternatively, this indicator may be presented in terms of child-months.
- *Program graduation rate, following a standardization of the period of intervention, in order to follow program progress.*
- *Percentage of children from 12 to 23 months with complete vaccinations.* This age bracket is considered as relevant, because every child over one year of age must have received all his/her vaccines.
- *Percentage of children with ADD symptoms during the last 15 days.* This indicator is useful for following the impact of one disease that runs counter to food security.
- *Percentage of deliveries with prenatal control.* This is a good indicator of service coverage, since the contact with prenatal health services decreases mortality risk during labor and identifies mothers who might give birth to children with low weight at birth, which permits to take preventative measures to avoid it.
- *Percentage of live births under 2500 grams.* This is a good indicator of the mother's nutritional condition, a factor that has influence on the newborn's survival and growth potential. With births outside health service facilities, it will be difficult to identify malnourished newborns with which to start early treatment.
- *Number of trained promoters.* An indicator of importance because the success of the NGOs' health and nutrition programs relies on the promoters' work.
- *Number of households with access to potable water.* This is an important indicator of overall health conditions.
- *Number of families with latrines.* This indicator would be proxy to a finer one that could refer to the number of families that build and use latrines correctly.

- *Number of mothers having completed their training cycles.* This indicator gives an idea of the potential replicability of the program.

Of course, this set of indicators must be adapted to the programs undertaken by each agency. It must be said too that it is recommended to use relative indicators instead of absolute indicators, to know the levels of coverage of the target populations of each activity.

### 1.1.1 Baseline, periodicity and term of measurement

Baselines have been established independently within each agency, and their frameworks and methodologies thus vary accordingly. Follow-up information comes from their own monitoring systems, mostly based on a continual reports collection process.

ADRA fixed its baseline in November 1995 and updates it every two years following up with the same set of communities. CARE Perú fixed its baseline in 1996 for each department where it has representatives on the basis of a community sample. The baseline is updated every 22 months. CARITAS established its first baseline in 1996 on the basis of a sample of communities for each diocese. In 1998, the baseline was updated using a smaller number of communities, given that some were no longer within its program area. PRISMA built its baseline in 1996 with communities that had already received their services and used a sentinel areas approach, assuming they would be representative of the changes progressively attained in the execution of activities. PRISMA also considered control communities.

In all cases, the baselines cover large collective bodies from which they obtained the principal indicators reflecting health problems and their factors associated with eating habits and with preventive and promotional health. On the basis of such global indicators, the NGOs designed their strategies and operating plans. There is not a single case of a baseline that was developed for an individual participating community; the assumption was made that all the communities share the same problems. Field visits have revealed that, overall, this is a valid assumption, even if it is not always possible to determine the level of severity of the problems in each community.

In most cases, the baselines are not the result of random sampling. Nevertheless, panel monitoring provides NGOs a reasonable measurement of evolution in the areas of interest. However, to the extent that the indicators refer fundamentally to beneficiary families, it is not possible to estimate the macro-level impact of the actions implemented in the local area. Since the projects executed by the agencies are not research projects, not all the procedures followed in determining baselines and in collecting data have been statistically rigorous.

The possibility in the future of having refined information and collection systems for their use in decision making by each agency is yet to be seen. In the future, a uniform set of indicators would facilitate comparing efforts.

### 1.1.2 Validation of program/sub-program information

The evaluation comprised a series of interviews to every agent involved in the service supply chain: the national heads of the agency's health and nutrition sectors, the heads of the Health and Nutrition Divisions of the regional or sub-regional Health Bureaus, the health centers lying the closest to the visited communities, communal leaders, health promoters, beneficiary mothers and school teachers. Structured interviews were carried out in the highlands and jungle, where valuable information was obtained regarding the perceptions people have about the health and nutrition programs.

During several interviews, favorable opinions on the cooperating sponsors' initiatives have been collected, offering qualitative indicators that point to substantial changes in the communities' health and food conditions, in particular among children. In-depth interviews with beneficiary mothers and promoters have likewise verified that the health and food practices promoted by the NGOs are well observed in the longer term. Such qualitative assessments confirm the positive results already computed by the agencies pointing to sustainable results of the service. However, they do not allow us to determine if the demonstrated levels of changes are the true levels, as this would require more scientific surveys and measurements, using operational research methods and tools.

## 1.2 Assessment of Results Achieved

### 1.2.1 Reasonableness of the Targets

The information at hand does not always permit contrasting the results versus the aims established at the beginning of the programs. Some agencies set goals to be reached at the end of the execution period of their programs financed by PL-480 Title II based on former experiences, as well as on the results of nationwide surveys of the relevant topics. In some cases, some precise goals were set, like reaching a certain percentage level. In others, the targets were annual percentage variations or physical goals. Among those pointing to reduction of levels of chronic malnutrition rate, the expected decrease varied between 15% and 31%. Many of the indicators considered in the logical frameworks mention goals, but not specific values corresponding to the baselines.

With the hindsight of the execution of their programs, two of the agencies felt they had been too optimistic when setting their goals, while the other two pointed out they had been too pessimistic. Additional resources, stemming from monetizing food donations, helped significantly to increase their ability to meet and to exceed some of their original goals.

In general, the described situation shows not only a problem with information for the formulation of reasonable goals, but the lack of data on goals, both on an annual basis and for the entire intervention period of the PL-480 program.

It is therefore not possible to make a clear quantitative inference about the degree of overall success in the attainment of the goals established at the beginning of their interventions. The following tables present information on the goals and achievements of each NGO, taken from each program's logical framework and from the NGOs' annual results reports.

### ADRA (1996-2000)

Indicators	Target	Achieved	% Achieved
Children under 36 months old rehabilitated *	29,303	18,848 *	64.3
Live Births over 2500 gr. *	9,088	8,817 *	97.0
Children between 24 and 36 months under health surveillance with chronic malnutrition **	301,162	102,735 **	34.1
Vaccinated children between 9 and 36 months **	98,199	26,937 **	27.4

\* 1996-1999

\*\* 1996-1998

### CARE (1996-1999)

Indicators	Target	Achieved	% Achieved
Number of communities assisted	720	720	100.0
Beneficiaries < 5 years old	23,200	21,500	92.7
Number of women trained	13,210	12,800	96.9
Latrines constructed	5,305	4,318	81.4

### CARITAS (1996-1999)

Indicators	Target	Achieved	% Achieved
Children under health surveillance	350,040	300,350	85.8
Children "graduates"	155,262	96,081	61.9
Mothers with complete training cycles	175,089	129,911	74.2
Family latrines constructed	22,802	26,614	116.7
Small community pharmacies constructed	146	153	104.8

### PRISMA (1996-1999)

Indicators	Target	Achieved	% Achieved
Families graduated	471,223	461,884	98.0
Children < 36 months under health surveillance	123,316	137,221	111.3
% < 6 months being exclusively breast-fed	57	67	117.5

It is evident that, in the majority of cases, the results achieved do not reach the levels of the planned goals. Nonetheless, this information is insufficient to make inferences with respect to the cost-effectiveness of the programs.

#### 1.2.2 Extent of Achievement of Targets

In field visits, all interviewees declared that their health situation had improved, mostly among children. In all cases, less diarrheic and ARIs diseases were reported. Authorities of the health care centers near the visited communities pointed to changes in the morbidity structure, and a sustained decrease of the prevalence of childhood dysenteric diarrheas in several communities. This reflects the agencies' efforts in promoting hygiene practices, oral rehydration, water and latrine systems. Also, in all the communities, both leaders and

interviewed mothers have underscored the sharp drop of infant mortality, related to the effort of training mothers and the promotion and use of health services. Pre-school teachers have observed changes in the behavior and disposition of children, pointing at the better health and nutrition conditions among students. In general, all the qualitative indicators point to the favorable impact of cooperating-sponsor activities.

The agencies have prepared and provided the following data regarding the main indicators mentioned above. The Infant Nutrition program had increased by from 73.2% to 87.3% the number of children under exclusive breast-feeding in the first six months, with 169,000 children under nutritional supervision, an increase from 75% to 80% of children with completed vaccines, 75.8% of pregnant women receiving medical care and 91,000 mothers trained. The Niños program has provided nutritional supervision to 19,300 children, trained 883 health promoters and 32,000 mothers. The Wiñay program has had 300,000 children under nutritional supervision, coverage of vaccinations for children grew from 47.5% to 70.3%, 28,000 families have received latrines and 155,000 mothers have been trained. The PANFAR and Kusiayllu programs have increased the number of children under nutritional surveillance from 176,000 to 192,000.

### Key Indicators and Results Achieved

Indicator	Infant Nutrition		Niños		Wiñay		PANFAR/ Kusiayllu	
	1996	1999	1996	1999	1996	1999	1996	1999
Chronic Malnutrition (%)	52.5	37.6	59	52	56.7	49.7	50.0	57.0
Only Breast Feeding during first 6 months (%)	73.2	87.3	27	26	87.6	N/A	N/A	72.0
Children under nutritional supervision *	168,593		19,278		300,350		175,819	192,095
Graduation rate (%)	64.0	66.6			51.2	37.0	65.0	78.0
Coverage of vaccinations (%)	75.0	80.0	55	72	47.5	70.3	85.0	97.0
Prevalence of AFD (%)	41.5	29.4	29	22	N/A	N/A	38.0	36.0
Pregnant mothers under prenatal control (%)	72.0	75.8			N/A	N/A	25.0	62.0
Children with birth weights under 2500 gr. (%)	4.0	6.5			N/A	N/A	N/A	N/A
Promoters trained *	10630		883		10,132		1,404	2,850
Number of families with latrines *	5965				28,016		N/A	N/A
Number of mothers having completed training cycle *	90,888		31,544		155,377		N/A	N/A

\* Total for period 1996 to 1999.

N/A = Not available

### 1.3 Sustainability of Results

Institutions acknowledge that the sustainability of results attained by NGOs in the health and nutrition sector depends mostly on the degree of insertion in the Ministries of Health and Education, thus enabling them to continue with the activities developed by agency plans and programs in the communities. This has implications regarding the use of the techniques, methodologies and costs that MINSA would have to assume.

In terms of clients, result sustainability depends on the degree of behavior and knowledge assimilation by household members and on their conveyance to younger generations.

Based on the former concepts, in interviews with Ministry of Health (MINSA) authorities in health facilities at both at regional and local levels, PANFAR and Kusiayllu emerged as already being part of the organizational structure of MINSA. Moreover, this Ministry considers these programs as their own and recognized the agency promoting them as a collaborator. During visits to its facilities, it has also been observed that MINSA thoroughly manages these programs' information systems.

The Niños and Child Nutrition Programs receive a positive recognition from MINSA authorities, who acknowledge their important contribution to improved coverage of health services and health conditions in the communities they serve. In almost all cases, interviewed authorities pointed to a good level of coordination, and complementary initiatives were observed between the two agencies and health care centers. The evaluation's interviews reveal that the importance of the work carried out by the cooperating sponsors is more readily accepted at the local than at the regional level of MINSA. MINSA authorities consider the programs are owned by CARE and ADRA and state they are not very much involved in the information systems, although they do receive periodic results reports after both agencies conclude analyzing their data.

As mentioned before, the Wiñay program works more independently from MINSA at the regional level, but it does have a close relationship with the authorities in the local health facilities, in which case opinions showed a great appreciation for the role played by this program in promoting health and community utilization of health services. In general, this program has its main focus in community involvement. The WIÑAY program information system is little known by health authorities.

In interviews with the agencies' Health and Nutrition heads, both at local and national level, the insertion of programs in MINSA is seen as a key factor to achieve the sustainability of program results, and they are speeding up their efforts to develop strategies to achieve it. Some have already started a relationship with the Ministry of Education, although it still generally appears to be weak. Cooperating sponsors are also aware that programs have to attain sustainable change in the community's behavior in regard to health and nutrition actions. The role the private sector could play in sustaining some health programs has not been discussed.

With few exceptions, the agencies lack clear strategies and actions to raise fresh funds to continue developing their programs.

Focus groups carried out with program beneficiaries, promoters and leaders show that the client population has developed an acute awareness of the importance of following good health and nutrition practices. The interviews confirmed that the promoters and mothers have appropriate knowledge of the basic behavior patterns to follow. Likewise, during field visits, promoters seemed imbued with a sustained work mystique to carry out their jobs over time. The methodology of having a very productive promoter accompanied by another



non-productive one (successful in operational research studies), and other methodologies, could be discussed in order to keep up promoters' enthusiasm and support with lower supervision costs.

## **2. Comparative Assessment of Cost-Effectiveness**

### **2.1 Comparative Analysis of Impact Contribution**

The **Food distribution activity** has allowed improvement in the sustained availability of and access to food among extremely poor populations, but is a potential source of dependence of the other program components on food deliveries, and limits the participation of mothers in health programs when food rations are reduced or eliminated. Food packages made up of local products, it should be noted, have better acceptance than foreign donated food, but differences in costs must also be taken into account.

The **Basic sanitation activity** has managed to increase the use of potable water and latrines, with a high impact on decreasing diarrheic diseases and on health improvement. However, initial cost is comparatively high (especially in scattered areas) and activity sustainability depends on the communities to maintain and operate the systems, and obtain the funding to do so.

The **Comprehensive health care activity** has increased health services coverage in targeted communities and led to a decrease in the prevalence and severity of diarrheas, acute respiratory infections and a better health situation. Nevertheless, promoters need to be continually kept up to date to ensure the sustainability of results. Success in this activity also depends on the relationship between agency local personnel and the regional and local Ministry of Health authorities and of the bond that can be established between them and the communities.

The **Education, information and communications activity** has built a remarkable health prevention culture in the target communities and has improved family nutrition practices. It is still weak in schools, however, and more training is needed to replicate results, a goal hampered by the high prevalence of illiteracy and the large proportion of people who do not speak Spanish.

The **Organizational strengthening activity** is helping to improve local development management, but is hampered by the low educational level of the population.

A global analysis shows that the Education, information and communications activity has the greatest impact in terms of improving health attitudes and practices among the population. This has meant an increased use of services, linking this to the second most important activity, the Integral health activity, because it has achieved a significant reduction in health problems. The Basic sanitation activity is the third contribution in terms of impact, due to the small scale of its activities. Institutional strengthening is still an incipient activity, but it is hoped to have a high impact in the short term and is important for the long-term sustainability of the health and nutrition sector results.

## 2.2 Comparative Analysis of Economic Costs

Between 1996 and 1999, the health and nutrition sector programs of the four cooperating sponsors spent a total \$44.3 million, or 43.3% of the total funds under Program PL-480 (\$102.4 million, including the agriculture and microcredit sectors).

PL-480 Executed Budget for 1996-1999		
Sector	US\$ million	Percentage
Health and nutrition	44.3	43.3
Agriculture	50.9	49.7
Microcredit	7.2	7.0
<b>Total</b>	<b>102.4</b>	<b>100.0</b>

As the possibilities to monetize food donations grew, the dollar amounts from PL-480 used by the cooperating sponsors also increased from \$16.2 million in 1996 to \$37.0 million in 1999. In other words, total expenditure increased by 129% in four years.

Fund allocation was also modified sector-by-sector. The proportion spent on health and nutrition activities fell, while other sectors saw their share rise. During the four-year period mentioned above, the health and nutrition sector rose by 67% but its relative importance within PL-480 fell from 50.4% in 1996 to 36.9% in 1999.

Evolution of Total and Health and Nutrition Sector Executed Budgets under PL-480					
Year	Total for all sectors		Health and nutrition		H and N/ total (%)
	US \$ million	Index Base: 1996=100	US \$ million	Indicator Base: 1996=100	
1996	16.2	100	8.2	100	50.4
1997	20.4	126	9.4	116	46.3
1998	28.8	178	13.1	161	45.5
1999	37.0	229	13.6	167	36.9
<b>Total</b>	<b>102.4</b>		<b>44.3</b>		<b>43.3</b>

During the period under review, the health and nutrition programs (save one) increased their expenditures from 32.1% to 252.4%. The exception was the Wiñay program, which increased in 1998 but in 1999, recorded expenses equivalent to 91.5% of its 1996 expenditure.

<b>Evolution of the Executed Budget for Each Health and Nutrition Program Under PL-480. 1996-1999 (US \$ million)</b>						
Year	Child Nutrition	Niños	Wiñay	PANFAR	Kusiayllu	Total
1996	1.78	1.01	2.26	2.66	0.45	8.15
1997	1.81	1.11	2.24	3.05	1.22	9.43
1998	3.19	2.35	3.00	3.32	1.24	13.10
1999	3.46	3.00	2.06	3.51	1.59	13.63
Total	10.25	7.46	9.56	12.54	4.50	44.31

<b>PL-480 Health and Nutrition Programs: Executed Budget Change Indices, 1996-1999 Base: 1996=100</b>						
Year	Child Nutrition	Niños	Wiñay	PANFAR	Kusiayllu	Total
1996	100.0	100.0	100.0	100.0	100.0	100.0
1997	101.8	110.2	99.4	115.0	269.4	115.8
1998	179.1	233.4	132.9	125.2	274.8	160.7
1999	194.5	298.1	91.5	132.1	352.4	167.2

Expenditure figures for the 5 health and nutrition programs show the evolution of their expenses as a percentage of total health and nutrition sector expenditures between 1996 and 1999. Child Nutrition's share rose from 21.9% to 25.4%; Niños rose from 12.4% to 22.0%; and Kusiayllu went from 5.5% to 11.7%. Wiñay and PANFAR saw their relative importance decrease from 27.7% to 15.2%, and from 32.6% to 25.7%, respectively. These trends reflect changes in the overall strategies of the NGOs as they seek a comprehensive development of the communities they serve.

<b>Percent Changes in Executed Budgets for Each Health and Nutrition Program under PL-480 ( 1996-1999)</b>						
Year	Child Nutrition	Niños	Wiñay	PANFAR	Kusiayllu	Total
1996	21.9	12.4	27.7	32.6	5.5	100.0
1997	19.2	11.8	23.8	32.4	12.9	100.0
1998	24.4	17.9	22.9	25.4	9.5	100.0
1999	25.4	22.0	15.2	25.7	11.7	100.0
Total	23.1	16.8	21.6	28.3	10.2	100.0

Available figures do not permit a determination of the costs of agency interventions through their various sub-program initiatives. Nor is it possible to compare costs per beneficiary because of differences among agencies in types of intervention, target populations, distances, intervention periods, and so on.

A comparison between total executed budgets for the agencies and their PL-480 budgets (both for the health and nutrition sector) permits a determination of the degree of resource leveraging achieved in their respective PL-480 programs.

Leveraging fluctuated between 105% and 206%, revealing what the cooperating sponsors spent on health and nutrition over and above resources made available from PL-480 for these activities. (The amount over 100% reflect the additional resources, which come from the other resources of the agencies themselves, or from the GOP).

Overall, leveraging was greater in 1996, with a 254% average. After a sharp fall in 1997, leveraging figures started to rise again, and by 1999 averaged 188%.

Average administrative costs as a proportion of total expenditure on health and nutrition fell from 24.8% in 1996 to 18.8% in 1999, ranging among cooperating sponsors from a low of 10.9% to a high of 29.5% in 1999.

### **3. Future Directions**

Political support from the Ministry of Health is important to ensure program cooperation and sustainability. Thus agencies should coordinate their programs with the highest authorities of MINSA and not limit themselves to the local level. This should be carried out as a group, since some MINSA officials see the cooperating sponsors as competitors that pursue their own different interests, and not as support organizations. The strategy followed by the PANFAR program to insert its activities within MINSA seems to be a good option. This strategy implies certain internal discussions and some changes in the political, operative and technical aspects in order to attain this inter-institutional cooperation.

Despite complaints that arise from families excluded from free food distribution programs, it is convenient to limit these programs, given the almost general consensus among health authorities concerning the negative consequences of continuing dependence on food distribution. It would be better to monetize PL-480 food aid to integrate the health, agriculture and micro-credit activities.

To ensure the inclusion in study programs of content related to an active role of children and youth regarding health preservation, the connection with the Ministry of Education and other agencies must also be strengthened and the methodologies developed by the agencies must be transferred to school teachers. Agencies could also enrich their methodology with child-to-child or similar approaches.

Observations during field visits indicated that cooperation and sustainability of the results in the nutrition sector depend on the activities being integrated with parallel program to

increase household income. All beneficiaries declared so. Otherwise, the problem will not be overcome. In addition, all target communities should receive support in basic sanitation with water and latrines in order to close the circle of health prevention and to ensure program sustainability and health improvements in the short term. training programs should be available for all community members, to men and to schoolchildren.

The relationship between cooperating sponsors and other public and private programs in the country should be increased, aiming at exchanging experiences and literature to be updated in program and technical affairs. This exchange will be important to validate the experiences developed by NGOs and to enhance the work they carry out.

Health programs should consider pregnant mothers as a high risk population and also to prevent low birth weight, a factor related to infant malnourishment. This action implies a great effort to ensure that pregnant mothers receive prenatal care, increase their nutritional intake before, during and after child birth, receive assistance of qualified people during birthing and to promote sufficient time between pregnancies.

A sufficient set of standardized indicators should be prepared that includes concepts, target populations, reference periods, ages and other factors referred to the community, so that they can be used to assess the global impact of the PL-480 program in the area of food security. It would also be convenient to simplify the monitoring systems and periodically present summaries with a set of select indicators that could be internally and globally used to manage PL-480 program.

With respect to program output and impact indicators, it is also necessary to identify, harmonize and simplify several for each operational phase. It would be advisable to produce a comparative analysis and standardization of all the available indicators for future benchmarking and to fine tune and simplify goal programming in the future. It would be convenient to implement managerial information systems to ensure the availability of information with value-added beyond basic data.

MINSa should have access to selected portions of the agencies' information systems to cooperate with NGOs in extending and improving health services. A set of indicators that could be of help for the national and regional health authorities should thus be defined.

To ensure more efficiency in the use of technical resources and a closer follow-up of the health and nutrition sector in the NGOs, USAID/Peru should establish a closer relationship between the PL-480 program and the agency's division that corresponds to health.

## **D. Agriculture and Productive Infrastructure Sector**

### **1. Results by Institution**

The rural development aid programs<sup>1</sup> applied by the PL-480 cooperating sponsors vary with respect to their management strategies, their components and their tools of intervention. For this reason the evaluation of their achievements was conducted by analyzing their results separately, using as a base their own goals as expressed in their logical frameworks and work plans.

#### **1.1 ADRA**

The Andean Plan for Food Security covers the fiscal years 1996-2000 and has been extended to FY 2001. Access to, and availability of, foodstuffs is achieved through the project named Generation of Agricultural Income (*GIA*). The central objective of *GIA* is to increase the income of the poor and extremely poor families in the Peruvian sierra through activities that strengthen communities, encourage agricultural production, develop basic infrastructure, and commercialize agricultural products.

In its first two years of implementation, the project opted for the selection of populated centers and families within a watershed in the south-central region of the country, using criteria based on the conditions of extreme poverty within the population. This strategy changed in 1998 in order to increase the geographic coverage to include the northern sierra and jungle regions within the "economic corridors" that had been prioritized by USAID and the Peruvian government. The selection criteria were also modified in light of the greater potential of the beneficiaries, and to improve articulation among the beneficiaries and their markets.

The *GIA* is one of ADRA's two sub-programs financed with PL-480 funds. In some communities it is complemented by another sub-program (Infant Nutrition), which is supported by the same funding source, and other ADRA programs from different financial source.

For the implementation of the majority of *GIA* activities, the agency carries out its actions as part of an individual institutional effort. In some of the activities previously mentioned, and in the area of the local sub-program implementation, ADRA works with counterpart institutions, such as PRONAMACHS (in the area of forestry and soil conservation), and the local governments (road infrastructure improvement). There is little cooperation with the other agencies that implement the PL-480 program.

##### **1.1.1 Best Sub-set of Indicators**

Six indicators were selected from the list of indicators and results elaborated in the monitoring and evaluation plan, in order to evaluate the impact of the project. Two of these indicators served to measure the impact of the effort to improve the basic productive infrastructure, two were used to measure the results of assistance in agricultural production, and two indicators

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<sup>1</sup> In this sectoral report, the terms "sub-program" and "project" are used interchangeably.

measured the gains in terms of the commercialization of agricultural products (see table below). The indicators are reported on an annual basis (achievements programmed and achieved). This evaluation covers the years 1996 to 1999.

It is important to mention that the goals measured by the indicators have been corrected in the DAP amendment (2000-2001); the modified goals are reported in their entirety for the period 1996-2001. Since the results are reported for the period 1996-1999, goals have been estimated for that period.

### 1.1.2 Results Achieved

This following table shows the six selected indicators :

GIA: Results Indicators	1996/1999			
	Programmed (P) (*)		Achieved (A)	(A/P)*100
	1996-2001	1996-1999		1996-99
1. Area with Improved Soil Conservation and Agroforestry Practices (Ha)	7,090.0	3,482.0	5,369.4	154.2
2. Area Incorporated with New or Rehabilitated Irrigation Systems (Ha)	8,024.0	4,174.0	6,353.2	152.2
3. Area Incorporated with Improved Production Technologies (Ha)	7,267.0	4,267.0	4,356.3	102.1
4. Total Volume of Agricultural Products at Campaign's End (Tm)	27,299.0	17,639.0	18,146.0	102.9
5. Rehabilitated Access Roads (Km)	4,962.0	4,152.0	4,494.3	108.2
6. Construction of Commercialization Infrastructure (Num.)	529.0	367.0	355.0	96.7
<b>Average (1996/1999)</b>				<b>119.4</b>

(\*) The goals that correspond to the six indicators were modified for the period 1996-2001, in accordance with the information proportioned by the "DAP Amendment 2000-2001, ADRA-Peru." The targets programmed for 1996 - 1999 are estimates made by ADRA based on the 2001 program targets.

The average level of goals achieved (119.4%) is a significant accomplishment, greater than the level of planned achievements toward goals. But it is important to highlight the fact that the majority of the planned goals were lowered in the DAP 2000-2001 amendment, because of an overly ambitious original projection of what could be achieved. It is also important to stress the effort and achievement of ADRA in terms of the support to productive infrastructure. However, the achievements have been relatively minor with respect to the commercial component of the sub-program.

## 1.2 CARE

The ALTURA 2 Project is a long-standing CARE sub-program that support food security with PL-480 funds. The project began in 1995, strengthening support to soil conservation, forestry development, agricultural production and commercialization. The objective of the project is to

improve the food security of families in poverty and extreme-poverty through an improved availability of food and increased incomes.

The ALTURA 2 Project is jointly executed by CARE-Peru and the National Project of Hydrographic Watershed Management and Conservation of Soils (PRONAMACHS), under the Ministry of Agriculture. The PRONAMACHS technicians are, in practice, those responsible for implementing the Project's training and extension activities, at the community level, with additional assistance of CARE technical personnel. PRONAMACHS coordinates with ALTURA 2 in decision making and the implementation of Project activities.

Projects in a particular operational unit cannot last longer than 4 years. The intervention is done at the level of multi-family operational units that coordinate through development committees. The project is basically oriented to forestry and soil conservation activities. Food-for-work is used only during the first two years of implementation.

The project is implemented in areas previously agreed upon with PRONAMACHS, but the work toward complementary actions with other CARE projects supported by PL-480 (i.e., in terms of shared geographic area and the complementary attention to the same beneficiary populations) is almost non-existent.

### 1.2.1 Best Sub-set of Indicators

Five indicators were used to evaluate the ALTURA 2 Project. These were drawn from a long list of indicators and results elaborated in the monitoring and evaluation plan. The indicators were selected taking into account the emphasis the project has in components to improve the productive infrastructure. Three of the selected indicators measure the impact of the effort to improve the basic productive infrastructure, one indicator is used to evaluate the support for agricultural production, and another measures the gains in terms of the commercialization of agricultural products (see table below). These indicators are also reported on an annual basis (programmed goals and achievements), while this evaluation covers the years 1996 to 1999.

### 1.2.2 Results Achieved

This table shows the five selected indicators:

CARE ALTURA 2: Results Indicators	1996/1999		
	Programmed (P)	Achieved (A)	(A/P)*100
1. Area with Tree Farm Plantations (Ha)	18,909.0	23,118.0	122.3
2. Area Reforested (Ha)	11,567.0	15,178.0	131.2
3. Area Improved through Soil Conservation Practices (Ha)	20,408.0	19,638.0	96.2
4. Programming/Planting of Food Crops (Ha)	11,789.0	11,274.0	95.6
5. Roadways Maintained and Rehabilitated (Km)	12,018.0	14,481.0	120.5
Average (1996/1999)			113.2



The average results achieved between 1996 to 1999 (113.2%) are evidence that the proposed goals were not only met, but exceeded. The planned goals for the indicators were not modified by the CARE Amendment DAP 2000-2001. It is important to highlight the effort and achievement of the ALTURA 2 Project, in terms of the implementation of tree farms and reforestation, as well as those efforts to maintain and rehabilitate communal roadways (an area where PRONAMACHS provided much support). Nevertheless, it is also important to highlight the relatively poor performance of the productive activity (programming/planting of food crops). This is largely due to the ALTURA 2 Project's emphasis on productive infrastructure development, the kind that could be achieved as a result of the institutional agreement between CARE and PRONAMACHS.

### 1.3 CARITAS

PROAGRO is one of three sub-programs of the Development Program for Food Security (PRODESA), which is executed by (1996-2001), with the participation of 34 Caritas diocese in Peru. Under the PRODESA design, PROAGRO works to improve the availability of food to families considered to be living in an "intermediate" level of poverty, through support to productive activities and improved infrastructure. For those segments of the population in "extreme poverty", Caritas, through the sub-program WIÑAY, carries out social assistance actions in order to satisfy the health and nutritional needs of this segment of the population. Caritas also implements PROGEIN to help meet the needs of yet another strata of the population, the "less poor." This sub-program focuses on food access issues and works to improve income and develop better market articulation.

PROAGRO is implemented via three components: improvement of the structure of production, improvement in productive technology, and assistance to family productive units. In some areas of implementation, PROAGRO is reinforced with support from PROGEIN – which promotes agroindustrial production and establishes commercialization channels, and also on occasion, from WIÑAY, thus increasing the extent of integrated assistance provided to the population.

On a national level, Caritas usually operates alone in the communities where it intervenes. According to their own records for 20 departments from 1996 to 1998<sup>2</sup>, Caritas was the only institution present in 60% of their locations. Occasionally, the agency coordinated actions with the municipalities and local institutions, mostly in the area of roadway infrastructure. The work coordinated in the productive activity and/or social assistance (through the sub-program WIÑAY) is relatively minor.

There are no clear and deliberate plans for the graduation and "exit" of the project from the community. It is believed that the "withdrawal" of the institution can vary from one community to the next, depending of the dimension of the problems of the local community, as well as its progress and advances, and the level of institutional strengthening.

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<sup>2</sup> Taken from "PRODESA IMPACT EVALUATION 1996-1998 – Preliminary report," September 1999.

### 1.3.1 Best Sub-set of Indicators

Five indicators were used to evaluate the impact of the project (taken from a list of indicators and results elaborated in Caritas' monitoring and evaluation plan). Two of the selected indicators measure the impact of the effort to improve the basic productive infrastructure, while another indicator is used to evaluate assistance in agricultural production. The fourth indicator measures improvement of roadway infrastructure (an indirect way to help agricultural commercialization), and the fifth indicator measures the goals related to direct support for the commercialization of agricultural products (see following chart). The indicators are also reported on an annual basis (programmed goals and achievements). The information on goals and results is available for the period 1997 to 1999, which is why the evaluation has been made for that period.

### 1.3.2 Achieved Results

This table shows the five selected indicators used to monitor and evaluate PROAGRO and PROGEIN:

CARITAS PROAGRO/PROGEIN: Results Indicators	1997/1999		
	Programmed (P)	Achieved (A)	(A/P)*100
1. Area under Improved Soil Conservation and Agroforestry Practices (Ha)	19,175.0	14,620.0	76.2
2. Area Incorporated with New or Rehabilitated Irrigation Systems (Ha)	45,638.0	29,656.0	65.0
3. Area Incorporated with Improved Production Technologies (Ha)	1,995.0	1,370.0	68.7
4. Construction of Commercialization Infrastructure Facilities (Num)	431.0	402.0	93.3
5. Rehabilitated Access Roads (Km)	3,745.0	2,693.0	71.9
<b>Average (1997/1999)</b>			<b>75.0</b>

The indicators selected reflect the emphasis of the joint work of PROAGRO and PROGEIN. The average achievement for the years 1997 to 1999 (75%) reflects a lower-than-planned achievement of results towards planned goals in each of the selected indicators. The information of Caritas was amended in 1999.<sup>3</sup> It is also important to highlight the efforts and achievements of the agency, through PROGEIN, in terms of the construction of commercialization infrastructure facilities.

<sup>3</sup> The information in the table is contained in annual reports of the cooperating sponsor (which include information only for 1997 – 1999). Some of the initial goals appear to have been revised downward (i.e., lowering the programmed annual goals in relation to those initially planned). Caritas has registered to USAID its disagreement with these data, signaling that program data in the annual reports are not in accord with the original 1996 targets. Caritas also has signaled that it has achieved more in other indicators (like livestock production), but these achievements unfortunately have not been reported.

## 1.4 PRISMA

As a part of PRISMA's Food Security Program (PROFASA), the CEAT Project has promoted the production, processing and commercialization of Andean crops in the region of Cajamarca from 1995 to 1999. Its objective has been to re-establish Andean crops as an alternative for the support of the food and nutritional security of the people of the Andes who benefit from PANFAR and KUSIAYLLU.

CEAT had a two-pronged action plan: the purely productive aspect, and the industrial/commercial aspect. The latter was concerned with the installation of a food processing plant that was designed to use local production in order to meet the crop-processing needs of the PANFAR and KUSIALLU programs.

PROFASA was restructured to become more efficient, and to reach more families under the amendment made to the PRISMA program for the years 2000-2001. This amendment was also designed to strengthen the sustainability of the activities at the community level. These changes were also in response to USAID's adjustment to concentrate its efforts in the economic corridors. Under this new framework, the CEAT evolved into a new sub-program called PRODECEE (Program of Community Development in the Economic Corridors), with which an effort was made to establish an integrated program, based on the community, and oriented toward the achievement of food security in the economic corridors.<sup>4</sup>

### 1.4.1 Best Sub-set of Indicators

Four indicators were selected to evaluate the impact of the project. These constitute all the indicators reported by PRISMA on the performance of CEAT. These indicators reflect the emphasis of the project on the production and sales of the farmers who participated in the program. These indicators are reported on an annual basis (programmed goals and achievements). The evaluation covers the years 1996 to 1999.

### 1.4.2 Achieved Results

The chart below shows the four indicators used in the evaluation and monitoring plan of CEAT.

The average achieved in almost every component (134.5%) is above the goal forecast. The goals were not modified in the May 1999 DAP amendment. It is important to realize that this high level of achievement of planned goals - particularly in the area of Andean crop commercialization - was due primarily to the purchases made by the processing plant installed by PRISMA in Cajamarca. Therefore, this achievement is probably not sustainable, since a

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<sup>4</sup> There are basically three components of PRODECEE: (i) support of capital stock (ii) productive and economic development, and (iii) activities to help commercialization.

permanent system for the commercialization of an increased supply of Andean crops has not been generated.<sup>5</sup>

CEAT: Results Indicators	1996/1999		
	Programmed (P)	Achieved (A)	(A/P)*100
1. Technical Assistance to High-Risk Farmers (N° of farmers)	4,502.0	6,617.0	147.0
2. Area Planted using Improved Technologies (Ha)	3,289.0	3,761.0	114.4
3. Production of Andean Crops (Tm)	5,218.0	7,680.0	147.2
4. Commercialization of Andean Crops by Participant Farmers (Tm)	1,829.0	2,365.0	129.3
Average (1996/1999)			134.5

## 2. Main Types of Activities

This section presents types of activities that are common in at least two of the agencies that implement the project, and which are evaluated comparatively against other alternative activities with respect to their sustainability, replicability and efficiency in achieving results. The activity models presented were prepared using information provided by the personnel who execute the project, through information collected during fieldwork, and through the monitoring and evaluation system.

### 2.1 Support in Production

- Activities in support of production have been fundamentally oriented to the cultivation of food crops that are consumed by the grower. These may include donations of planting materials, accompanied by agronomy advice and training. The agricultural program has been directed to families and communities living in extreme poverty (and has been carried out, in many cases, along with social assistance programs, for example, in health and nutrition). The results achieved (see previous section) show that the programs have played an important role in helping families meet their food needs. Nevertheless, this contrasts with an assistance plan that focuses on agricultural production with a market orientation, which would encourage the efficiency and sustainability of the sub-program. It also has tended to neglect the opportunity costs of production of crops with saturated markets and low prices.
- In several instances of assistance to the productive process, demonstration plots are being developed with the help of agricultural promoters or leaders who have been selected by their communities. The demonstration plots display the increase in production that can be

<sup>5</sup> On the contrary, the demand for local food products by the CEAT plant in Cajamarca, has been decreasing over time, in function of the lower demand of products processed and the change in the used ingredient mix, which began to favor the use of imported goods, or industrially produced goods.

achieved by applying new technology. It is a form of intervention that improves the level of learning through the practical productive experiences that will motivate others to copy the new, improved methods on display. The participation of agricultural promoters, who are leaders in their communities, also reinforces the participation of the community in project activities and their replication at the community level and beyond.

- Another form of assistance to productive activities are training plans that include guided visits of agricultural promoters and producers in order to exchange ideas (to learn of successful experiences in neighboring communities or those that have similar problems). These have increased the possibility for success in replicability of the positive aspects of the project.

## **2.2 Productive Investment**

- The exchange of donated food for work is a methodology widely used by assistance agencies to carry out soil conservation projects and to improve rural access roads and productive infrastructure (irrigation systems and the like). It is a tool that has contributed to raising the farm production of beneficiaries through increasing their productivity as well as by facilitating commercialization of agricultural products (through lower transport and better access to markets).
- Alternatively, work on infrastructure can be done without the use of donated food, including only training and technical assistance focused on the improvement of productive infrastructure, and close coordination with public institutions and local governments that often assist this kind of activity. This alternative does not create dependency among those who engage in community work projects, while achieving the same results and laying the groundwork for sustainability in infrastructure activities after the assistance is withdrawn.
- All the agencies have made efforts to satisfy the financing needs of the producers through the use of revolving funds for the purchase of seeds and other productive inputs. The delivery of inputs and tools is done with the assistance of the organizing community. Over time, the method of revolving funds has evolved into cash disbursements with minimal levels of interest, as well as the use of "solidarity" guarantees. Frequently the loans are combined with parallel cash grants. This kind of credit has undoubtedly helped fill a vacuum of financing in the rural environment. Nevertheless, the experience of associating the subsidized lending with the production promotion efforts has not been positive (delinquency rates are high despite the subsidies). The loans can be seen, rather, as causing problems in the long term because they create expectations of subsidized financing that are incompatible with the development of sustainable rural credit systems.<sup>6</sup>
- A common activity is the donation of materials, tools, and goods meant to help the beneficiary producer carry out small-scale productive and infrastructure activities in the

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<sup>6</sup> USAID decided in 1999 to terminate PL-480 support for these kinds of "traditional" revolving funds, for many of these reasons. (The "revolving funds" reviewed in Section E of this report are in fact mechanisms for the delivery of micro-credit utilizing a solidarity-group technology, and should not be confused with the revolving funds reviewed in this section.)

area of family-based production. An alternative is support in the construction of minor productive infrastructure through appropriate training and technical assistance, which will strengthen the production and productivity of the small farmer, as well as the replicability of the activity, without generating dependence on donations and risking the sustainability of the program.

### 2.3 Assistance to Commercialization

- The commercialization of agricultural products is an activity that has been limited basically to the improvement of or rehabilitation of rural access roads. Roadway infrastructure improvements are important because they give producers better access to the market and reduce transaction costs. An alternate option, however, would be to help establish new and better business linkages (input distributors, intermediaries, processors and so on), and to improve access to market information so farmers can orient their production to meet local, regional and national demand. This would create a stronger link between the production side and the market side, and thus increases the likelihood of long-term sustainability.<sup>7</sup>
- With respect to commercialization, another frequently cited activity is the direct purchase of the farmers' production (by the agencies). Buying the farmers crops has short-term benefits in the sense that it encourages production by increasing the size of the market, but it is not sustainable in the long term since the projects have determined life spans, hence this commercial activity may conclude once the project ends.
- The kind of activity that will allow the cooperating agencies to develop sustainable exit plans is the initiation of a farm-product commercialization assistance program that focuses on strengthening links between producers and other agents of commercialization, and/or that promotes direct sales to the processors or consumers. This will also improve the replicability of the projects, as long as the actions that drew benefits are easily identified and copied by other farmers in the community.

### 2.4 Organizational Strengthening

- Another kind of rural development assistance project that should be highlighted deals with the strengthening of the organizational capabilities of the farmers. This is done through the creation and operation of "local management committees" (which use different names, depending on the project). These local committees are the basis for community work in the areas of production and roadway infrastructure. The local committees (made-up of multifamily groups), play an important role in the acquisition and guaranteeing of loans, the distribution of food, and training activities. The strengthening of the ability to organize locally, together with the training activities, are recognized as fundamental elements that guarantee the sustainability of the rural development projects implemented by the agencies.

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<sup>7</sup> These activities are recently being planned through the cooperating agencies. They help create sustainability and are a response to needs expressed by the beneficiaries.

What these organizational strengthening efforts have tended to lack, however, is an emphasis on improving business skills, quality control and business linkages with buyers and input suppliers, while strengthening the negotiating stance of the small-farmer organizations as economic associations.

## **2.5 Conservation of Local Natural Resources**

- A common focus among development agencies, particularly in the Peruvian sierra, is the improvement of the use of water and soil resources. This assistance is directed toward the areas of soil conservation, improvements to the infrastructure of irrigation, and to forestry. This undoubtedly has an important positive effect in support of conservation; however, it is important to mention that this kind of infrastructure-improvement assistance demands high levels of financing (as compared to those that are focused on production and commercialization, for example), as well as large amounts of food delivered for community work and donations of supplies and materials at the family level.
- Alternatively, faced with an increasing tendency toward monetization of the food from the PL-480 program, and progressive reduction of available resources, the project could begin to focus primarily on strengthening the productive components and helping in the areas of commercialization and business management. This could be done with a strong coordination with other institutions, in order to leverage the assistance to improve productive infrastructure. The result could be a greater efficiency of the actions, as well as an improved sustainability in the proper management of the natural resources. An additional effort to establish clear ownership rights could help to pressure water and soil resources.
- All the agencies have carried out environmental impact studies on the actions that they implement in the community, and have created mitigation plans that are carried out together with the community. (This is a USAID requirement in relation to assistance works covered by the Title II program.) At the national and local levels, there are people in charge of monitoring and evaluating the environmental effect, as well as carrying out the corresponding mitigation activities. This is a positive kind of activity that should be emphasized and strengthened in the future.

## **2.6 Other Types of Identified Common Activities**

- One type of institutional activity that is common among the cooperating agencies is the search for additional leveraged resources to assist in the efforts to alleviate poverty and food insecurity. The synergy between financial and non-financial resources is particularly important with local governments, especially with respect to the rehabilitation of the roadway infrastructure. This has been acquiring greater importance on the decision-making levels of the agencies. Nevertheless, the levels of local government cooperation with the agencies that implement the projects are relatively low in respect to assuming responsibility for future road operations and maintenance costs.
- The cooperating agencies have also taken significant steps to adjust their actions to fit the framework of the USAID strategy to work in the economic corridors, as well as the

collateral commitment to increase their efficiency, coverage, and the sustainability of their activities. Obviously, there are large differences between the levels of advancement made by the different agencies.

### 3. Conclusions and Recommendations

- USAID should make the case to AID/W that the agricultural assistance program is of sufficient merit to be continued for this traditionally important sector, but that measures must be taken to orient the advice given toward market signals and demand.
- USAID/Lima Title II program managers should be more closely involved with the cooperating sponsors during both the program development phase as well as the implementation phase. There is other mission office expertise and knowledge in such areas as credit and marketing that should come into play in selecting and carrying out the programs. Program managers should also get more active in implementation monitoring.
- USAID should ask the cooperating sponsors to coordinate with the PRA program's Economic Services Centers to prepare a marketing plan either annually or every two years. This would help them better carry out their marketing programs and it would give the USAID mission an opportunity to provide input. Marketing plans should include appropriate indicators, such as increases in sales. Agricultural promoters should receive some basic training in concepts relating to market signals and demand.
- USAID and the cooperating sponsors should use care in relocating programs to priority economic corridor areas to assure an orderly phase-out of any current programs outside of the corridors. The selection of new beneficiary communities and families to participate in agency programs will have to be based on their prospects for creating economic successes. But a process should be permitted that assures that the agencies can accommodate their programs in a manner consistent with their own priority of fighting poverty.
- USAID should ask cooperating sponsors to establish specific crop production indicators. The present indicators do not provide data on crop production or yield increases resulting from program interventions; nor do they provide a basis for assessing the economic impact of the program in terms of the market value of those increases.
- The cooperating sponsors should prepare exit strategies for each ongoing program as well as for any new program proposal. This team believes that 3 to 5 years is a reasonable time for satisfactorily implementing agricultural production activities within any given community and moving on to new areas.
- Future program emphasis and geographic location should be determined primarily by USAID mission personnel as may be guided by Mission program and strategic priorities. It is the opinion of the team that the main programmatic focus should be on increasing food and cash crops using tried and proven methods such as donation of planting materials, use of local promoters, provision of technical assistance and training in production and soil



conservation, etc., as well as marketing assistance. We recommend less emphasis on infrastructure. And, to the degree it is operationally feasible to do so, food distribution programs, if continued, should be separated from productive assistance.

- We were not able to detect any harm or disincentive coming from road rehabilitation. It is positive in that it gets food into needy hands and creates some improvements in transportation. Nonetheless, the improvements are not sustainable unless somebody is willing to step up to paying for maintenance. We feel that it is rather a low priority and not essential to the success of agricultural production programs. Therefore, our recommendation is that USAID should consider carefully whether or not to continue the road rehabilitation program.
- Productive and marketing infrastructure such as small reservoirs, storage facilities, animal pens, plant nurseries, etc., are an essential part of the agricultural production and marketing program and should continue as long as the program continues. But they should be financed through sustainable rural credit schemes, and not by grants or subsidized credit.

## **E. Micro-credit Sector Assessment**

### **1. Results By Institution**

#### **1.1 Evolution of Strategic Focus**

Two of the four cooperating sponsors participating in PL-480 Title II activities – CARE and PRISMA – currently offer micro-credit programs. These programs have evolved substantially during the period under review, in part because of changing USAID priorities and strategy. Each of these changes in strategic focus has had implications for the micro-credit programs of the two agencies.

For example, in 1999 USAID substantially modified its strategy by redirecting the focus of its resources from extremely poor areas to areas that are poor and are located within the 10 Economic Corridors prioritized by the PRA Activity. The latter exhibit a development potential that can be further strengthened by a dynamic relationship with intermediate cities.

Such a modified strategy may require adjusting the founder's initial parameters for micro-credit programs, in particular relating to the goal of reaching the neediest populations. Under the original strategy, micro-credit institutions are required to give loans under \$300 to at least two-thirds of their clients.

Other USAID strategic mandates have included an increasing focus on targeting rural areas. Since micro-credit programs serving rural areas, and in particular, small agricultural producers, are still largely unproven in Peru, as elsewhere, these efforts must be considered largely experimental until they have shown results over time that are comparable with urban-based lending.

#### **1.2 CARE's Microcredit Program**

CARE's Enterprise Development Services Program (SEDER) originated within the Niños Project, taking into account micro-credit experience gained under the Microenterprise Support Project (Income Project) and the Women's Income Generation Project (Women's Project). The Income Project was in place until FY 1995, and aimed at providing production services to enterprises and families in Lima and Trujillo. Until the end of FY 1995 the Women's Project gave donations offered as loans for commercial activities to women, mainly soup kitchens in marginal city areas in Cajamarca, Chimbote, Lima, Trujillo, Puno and Piura.

In FY 1998, a loan component was added to the Children's Project to establish revolving loan funds in the project's areas of operation, including Cajamarca, Huaraz and Puno. A similar option for Piura was discarded because this corridor was considered to be of little importance in the focus of the Economic Corridors.

During FY 1998, AID proposed to consider this credit component as an independent project, thus originating SEDER. Besides providing financial services, SEDER focuses on non-financial services to microcompanies, in particular run by women, in Cajamarca, Huaraz and Puno. Ayacucho was added in 1999.

In January 1998, CARE signed a trust fund agreement with Edyficar that went into effect in July that year. Through this agreement, Edyficar acts as SEDER's loan window while the latter continues to promote, rate, follow-up, and recover loans, besides providing loan-related training.

By means of an addendum to this agreement signed in March 1999, CARE made a \$1.6 million capital contribution to Edyficar. In February 2000, Edyficar took responsibility for all CARE and SEDER loan operations.

At present, the SEDER Project is circumscribed to loan promotion and non-financial service tasks, although the latter do not target exclusively loan clients, generally attending families that demonstrate strong income-generation potential. The Altura Project also carries out loan promotion activities for credits given out by Edyficar.

### **1.3 PRISMA's Microcredit Program**

PRISMA started its loan experience in 1994 (FY 1995), within the framework of the Food Security Program (PASA) that had been designed as a pilot program comprising technical assistance, training and individual loans in foreign currency.

PASA originated in the need to improve income generation among beneficiaries of the Kusiayllu Nutritional Recovery Project, in the framework of Focused Food Security Support Program (PROFASA) and the PL 480 Title II.

PASA focused on beneficiaries of the Kusiayllu and Panfar Project at six locations, including Huamanga, Ayacucho, Jesús y Samanacruz in Cajamarca, Tarapoto in San Martín, Huancayo in Junín, Cura Mori in Piura and Pampas de San Juan de Miraflores in Lima.

By FY 1996, the credit fund reached \$253,320. That year AID gave instructions to make loans only for agricultural inputs to improve food availability in those areas. Consequently, the program's portfolio of new funds moved to agricultural activities.

In April 1997 (FY 1997), and in coordination with AID, the PASA Microcredit Program approved use of the Community Bank Methodology and thus removed the other components from the previous PASA. Operations started in San Juan de Miraflores (Lima), the city of Cajamarca, Huancayo, Cura Mori in Piura, Ayacucho and Tarapoto.

Five new locations were added in FY 1998, including Valle Río Apurímac, Huánuco, Huancavelica, Huanta and Puno. OLGAD – USAID funds were raised that year for the Apurímac River Valley and the more recently, Tocache.

AID's changed strategy since FY 1999 to focus on Economic Corridors resulted in interrupted funding for the San Juan de Miraflores and Piura locations, with a new location in Huaraz. However, Piura continued to get FGCP funds and Lima received PRISMA resources.

At the same time, in FY 1997 the CEAT Project – comprising technical assistance and agricultural input loans for farmers at the Encañada and Cajabamba locations in Cajamarca as well as in various rural areas in Huancayo – stopped offering loans as PASA took over the loan program and introduced Community Banks to substitute for individual farm-input loans. In FY 1998, CEAT's credit component finally became a full-fledged PASA component.

In FY 2000 PASA serves Cajamarca locations (Jesús, Samanacruz, Cajabamba and La Encañada), the city of Huancayo, the two Ayacucho locations of Huamanga and Huanta, as well as the locations of Tarapoto, Huánuco, Huancavelica, Puno and Huaraz.

## **2. Results Evaluation**

### **2.1 Selection of Indicators**

#### **2.1.1 Justification of Selection**

The SEDER and PASA micro-credit programs are innovative in that they have increasingly served rural areas, and indeed a substantial proportion of the loans are said to have been provided to small agricultural producers.<sup>1</sup>

Given the fact that these are somewhat experimental programs still in their initial stages, it is appropriate to evaluate only the objectives comprised in the results of the Logical Framework. Evaluating the accomplishment of goals would require a longer-reference timeline.

In this report we assess results by means of three sets of indicators. The first aims at capturing the size, quality and destination of the portfolio; the second tests compliance with USAID's policy guidelines while the third set of indicators evaluates profit rates or yields and management quality as proxies for self-sustaining growth potential.

#### ***Portfolio Indicators***

Portfolio Value, Loans by Type of Credit Technology, Women Served, Delinquency rate

#### ***Guidelines Compliance Indicators***

Loans in rural areas, Loans under \$300, Operating Sustainability Rate, Financial Sustainability Rate

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<sup>1</sup> The micro-credit programs reviewed do not subscribe to a uniform definition of urban versus rural areas. EDYFICAR defines urban areas to be those that have concentrated population and connection to a highway, and rural areas to be those with disperse populations distant from highways. (This is based on the definition utilized by ENEI.) In PASA's case, the concept of rural area is associated with agricultural activities, including agro-processing and commerce, as compared with all other activities.

### ***Self-Sustaining Potential Indicators***

Net Earnings-to-Equity Ratio, Average Portfolio by Loan Officer, Loans-to-Equity Ratio

#### **2.1.2 Data Testing**

Results and goal-accomplishment evaluation resorted to data in the plans, amendments and periodical reports sent every U.S. fiscal year to USAID by cooperating agencies.

Since this report's data had to be complemented by information from the corresponding Balance Sheets and P/L Statements and other non-accounting information, these analyses inevitably include Peruvian calendar year data, additional to U.S. fiscal year information.

Our analysis of these subprograms and their organizations is based on complete financial-statement and loan-information data available as of December 1998, December 1999 and March 2000.

We tested the information by cross-checking data as part of a consistency analysis. For this purpose, we used information prepared following standards of Peru's Banking and Insurance Company Regulatory Agency (SBS), as well as prior partial studies and field visits to selected subprogram locations.

Field work included visits to Cajamarca and Huaraz for the SEDER and PASA programs. Tarapoto for PASA and Lima for Edyficar.

#### **2.2 Goal Accomplishment Evaluation**

##### **2.2.1 Reasonableness of Goals**

Both subprograms include portfolio-related goals although only PASA considered any measurement of local sustainability. However, it resorted to a single indicator evaluating the number of locations operating on a sustainable basis. Neither of the two subprograms comprised profitability, productivity, or leverage goals.

AID has progressively adjusted its policy guidelines for the credit programs it funds. However, these adjustments do not always translate into new goals and indicators within the logical framework. Thus, for instance, no specific goals have been set to serve rural areas, provide loans under \$300, or achieve operating and financial sustainability thresholds, although these are clear strategic priorities of the USAID Mission.

Nevertheless, reasonable goals have been set, in view of the actual accomplishments.

##### **2.2.2 Goal Accomplishment**

SEDER - The goals for 1996-2000 were extracted from the 1999 Semi-Annual Progress Report included in the March 2000 Food Security Program. Data included in the logical

framework are different from those identified in the loan information records. Thus, delinquency rates in the logical framework were 0% in 1998 and 3% in 1999, compared to 30-day delinquency rates of 4, 8 and 11% in December 1998 and 1999, and March 2000, respectively, shown in the records.

In contrast with Edyficar, which concentrates almost 95% of its portfolio on individual loans awarded in city areas, since 1998 SEDER's loans have increasingly targeted rural areas, mainly through Revolving Credit Funds.<sup>2</sup> Only in 2000 did it start organizing Solidarity Groups.

Approximately 50% of the micro-loans authorized by SEDER were for amounts of less than \$300 during the period reviewed, with a reduction to 21% in this proportion by March of 2000.

Loans to women show a downward trend from 74% in 1998 to 61% in 1999 and 39% in March 2000.

<b>CARE LOANS (US \$)</b>			
	<b>Jan-Dec 1998</b>	<b>Jan-Dec 1999</b>	<b>Jan-Mar 2000</b>
<b>SEDER</b>			
Total Loan Balance	365,312	447,969	481,012
. Urban	34%	25%	0%
. Rural	66%	75%	100%
. Loans under \$300	50%	51%	21%
. Women	74%	61%	39%
Portfolio by Credit Technology			
. Revolving Credit Funds	91%	75%	87%
. Solidarity Groups	0%	0%	12%
. Individual Loans	9%	25%	1%
<b>EDYFICAR (*)</b>			
Total Loan Balance	3,954,979	6,891,888	7,559,360
Urban	96%	95%	94%
Rural	4%	5%	6%
Portfolio by Credit Technology			
Revolving Credit Funds	6%	6%	6%
Solidarity Groups	3%	3%	3%
Individual Loans	91%	91%	91%

(\*) Including SEDER

**PASA** - With an average recovery rate above 80% of the scheduled loan fund, except for 1997 when only 57% was recovered due to AID's funding cuts, actual recovery has almost reached the scheduled targets, as shown by behavior patterns in Community Banks (ACPD), Solidarity Groups within each ACPD and the number of loan clients.

<sup>2</sup> It should be noted that these funds are not "traditional" revolving funds of the kind reviewed in Section D, but instead extend micro-credits utilizing a solidarity-group principle.

On the other hand, loans to women consistently failed to reach targets with an average 49% for the period, compared to a scheduled 67% rate.

In 1998 and 1999 the achieved goals in the logical framework seemingly reflect 30-day delinquency and not 90-day rates, as scheduled. For these years, the 90-day delinquency rates were 1 and 4%, respectively. These figures were almost on target. An extremely high delinquency rate originating in the program's interruption made 1997 a special year.

No specific goals appear for areas operating on a sustainable basis, although Logical framework results show that in 1999 two areas reached operational sustainability. More refined data as for the 1999 calendar year show that the Cajamarca location achieved a 109% Operating Sustainability Rate (Financial Income to Operating Costs) while two other locations almost reached Operating Sustainability: Huancayo in Junín with 86% and Azángaro in Puno at 83%.

More than 50% of the loan portfolio was placed in rural areas, in an upward trend that started in 1998 when loans were distributed through Community Banks. Solidarity Group loans were introduced only in 2000.

PRISMA LOANS (US \$)			
	Jan-Dec 1998	Jan-Dec 1999	Jan-Mar 2000
<b>PASA</b>			
Total Loan Balance	1,035,296	1,833,345	2,534,598
. Urban	47%	34%	31%
. Rural	53%	66%	69%
. Loans < \$300	100%	85%	83%
. Women	44%		
Portfolio by Credit Technology			
. Community Banks	100%	100%	97%
. Solidarity Groups	0%	0%	3%
<b>MCP</b>			
Total Loan Balance	1,315,823	2,254,244	3,498,908
. Urban	41%	34%	33%
. Rural	59%	66%	67%
. Loans < \$300	100%		83%
. Women	55%	52%	51%
Portfolio by Credit Technology			
. Community Banks			94%
. Solidarity Groups			6%

Note: MCP= PRISMA Microcredit Program, which includes PASA.

Community Banks may have allowed PASA to direct loans to the poor and extremely poor population, as reflected by the fact that over 80% of loans are in the under \$300 category, a

situation still current in 2000 when many of these groups are already going through their six cycle.

The PRISMA General Microcredit Program (MCP), including PASA, shows a uniform behavior pattern across all indicators.

### **3. Sustainability Of Results**

#### **3.1 Client Sustainability**

The client's sustainability is not included explicitly as a goal in the subprograms, nor are there any indicators for evaluating it. In some cases, as in SEDER, this component is in its initial and incipient development stages.

Micro-credit program sustainability requires clients with profitable and sustainable economic activities. Farming entails even more risk than livestock raising and handicrafts. Subprogram loans for rural production focus mainly on the livestock and handicrafts industries rather than aiming exclusively at crop farming.

In times of recession, trade and service activities may allow offsetting of investment risks. At SEDER and PASA almost 60% of the loans are for commercial activities. SEDER data shows that to March 2000, loans supported by trade activities reached 98% of all loans.

The credit subprograms under review have not been strategically accompanied by technical assistance or marketing support subprograms that would strengthen the clients' economic activities.

Credit subprogram customers in general - and those from rural areas in particular - do not know how to manage risk, or determine their capability to honor a loan agreement. SEDER has provided training and assistance mainly for business management, more than in the technical, productive and marketing areas where needs may be more pressing.

#### **3.2 Intermediary Sustainability**

For credit services to be sustainable, the intermediary credit organizations must also be sustainable. Starting to supply financial services means that the clients will be served on a permanent basis, either directly or by transferring the portfolio to third parties. If a program is interrupted without taking the above into consideration, there is a risk of an inordinate growth of delinquency rates generated by the customers' lack of interest to honor their loans.

For this reason, our evaluation will focus on the intermediary organizations' sustainability. For SEDER, the corresponding organization is the Edyficar Edpyme and for PASA, the PRISMA Microcredit Program. To achieve our goal, we will review indicators relating to portfolio quality, yields and management prepared using data extracted from the financial statements as of the end of the corresponding calendar years.



EDYFICAR EVALUATION			
Indicators	Dec. 1998	Dec. 1999	Mar. 2000
<b>Portfolio Quality:</b>			
Past Due / Total Loan Balance	9%	8%	7%
Provisions / Past Due Portfolio	66%	93%	97%
<b>Yield:</b>			
Net Earnings/Equity	-2%	14%	12%
Operating Sustainability	181%	191%	190%
Financial Sustainability	91%	132%	186%
<b>Leverage:</b>			
Loans/Equity	399%	302%	235%
<b>Management:</b>			
Operating Cost/ Total Loan Balance	12%	18%	20%
SEDER Operating Cost/ Total Loan Balance	24%	22%	20%
Current Portfolio/Loan Official	\$263,665	\$149,824	\$164,334
SEDER Total Loan Balance/Loan Official	\$60,885	\$55,996	\$53,446
Personal Expenses/Financial Revenues	31%	33%	32%

MCP - PRISMA EVALUATION			
Indicators	Dec. 1998	Dec. 1999	Mar. 2000
<b>Portfolio Quality:</b>			
Past Due / Total Loan Balance	4%	8%	7%
Provisions / Past Due Portfolio	35%	72%	81%
<b>Yield:</b>			
Net Earnings / Equity	-10%	-5%	-1%
Operating Sustainability	50%	62%	81%
Financial Sustainability	42%	61%	65%
<b>Leverage:</b>			
Loans/Equity	64%	64%	77%
<b>Operations:</b>			
Operating Cost/ Total Loan Balance	37%	41%	10%
Current Portfolio/Loan Official	\$73,101	\$54,982	\$40,685
Personal Expenses / Financial Revenues	94%	66%	40%

### 3.2.1 Portfolio Quality

Using the 30-day past due portfolio as our parameter, both SEDER and PASA show a rather low delinquency rate in their first year of execution. At SEDER, in part because the revolving funds include an 18-month capital recovery period, delinquencies become

obvious only in the second year.<sup>3</sup> To March 2000, this program approaches a dangerous 11% delinquency rate, well above Edyficar's 7% average.

PASA and MCP-PRISMA show similar delinquency rates, lower than SEDER's and similar to Edyficar's.

30-DAY DELINQUENCY			
	Dec. 1998	Dec. 1999	Mar. 2000
SEDER	4.12%	8.27%	10.93%
EDYFICAR	8.60%	8.00%	7.41%
PASA	2.00%	8.24%	8.48%
MCP	3.60%	8.12%	7.22%

SEDER's rural delinquency rate reportedly reached 12% in March of 2000, as compared with a delinquency rate for urban loans of 3%, with very elevated rural-lending delinquency rates in Huaraz (26%) and Puno (24%), locations in which, rural lending surpassed 40% of the total portfolio. In PASA-PRISMA's case the rural delinquency rate in the same month was 8%, as compared with urban lending, which registered 5%.

As indicated by the following tables, in December of 1999 PASA obtained significantly lower delinquency rates on rural lending in similar zones than did SEDER, as in the case of Puno, where it was 9%. This appears to indicate that there was a significant difference either in the management of the respective portfolios, or the composition of clients within those portfolios. (See footnote 1 for a comparison of the different definitions of rural versus urban clients used by the two agencies.)

SEDER: Rural versus Urban Delinquency Rates by Region (as of end-March 2000)				
Region	Outstanding Portfolio (New Soles)	Proportion to Rural Clients	Rural Client Delinquency Rate	Urban Client Delinquency Rate
Ayacucho	608,243	2.58%	0.26%	0.17%
Huaraz	475,829	40.20%	25.57%	2.66%
Cajamarca	307,000	8.91%	4.36%	2.30%
Puno	263,611	52.19%	23.96%	8.42%

<sup>3</sup> Only 25 loans extant in March 2000 had been awarded the full 18-month period, but these 25 loans represented a large proportion of total amounts disbursed. According to information from Edyficar, in June of 2000, 71% of total amounts disbursed corresponded to loans authorized for 18 months, with grace periods of from 10 to 12 months..

PASA: Rural versus Urban Delinquency Rates by Region (as of end-March 2000)				
Region	Outstanding Portfolio (000's of New Soles)	Proportion to Rural Clients	Rural Client Delinquency Rate	Urban Client Delinquency Rate
Cajamarca	7,811	93%	9%	32%
Huaraz	319			
Huamanga	1,372	29%		6%
Huanta	873	36%	4%	6%
Huancavelica	1,090	91%	3%	30%
Huanuco	563			20%
Junin	2,871	2%		3%
Puno	2,077	88%	9%	28%
San Martin	879			7%

PRISMA started collecting comparative data for urban versus rural lending in 1999. These data indicate that during some months in 1999, delinquency rates were in fact higher in PRISMA's urban lending (15.75% in September 1999) than in its rural lending (9.47% in the same month). This, it is argued, counters the claim that delinquency rates are higher in rural lending. But the above table of comparative delinquency rates suggests that it may be the very thin lending to its "urban" clients, and the definition PRISMA utilizes to define "urban" versus "rural" clients (see footnote 1, above), that produces this statistical outcome. SEDER's results conform to the finding that rural micro-lending tends to yield higher delinquency rates.

Although neither cooperating sponsor has tracked delinquency rates specific to rural loans until quite recently, the progressive shift to rural lending by both agencies is highly correlated with a dramatic rise in their overall delinquency rates, as shown in the table below.<sup>4</sup>

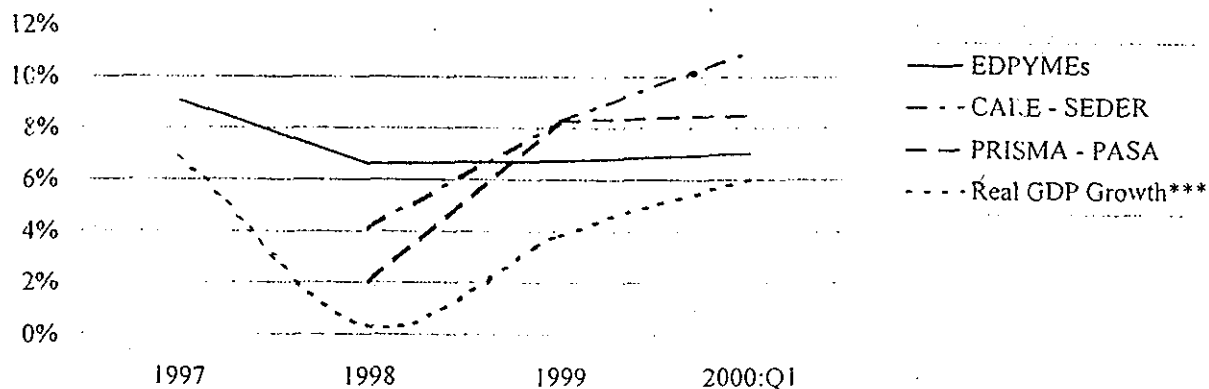
<sup>4</sup> It is important to note that the data indicate correlation, and not causality. Nonetheless, the correlation, in both cases, is highly significant.

Peru PL-480 Micro-Credit Program Performance in Rural Areas				
		Total Loan Balance	Rural Areas	Delinquency Rate
CARE - SEDER	1998	\$365,312	66%	4.12%
	1999	\$447,969	75%	8.27%
	2000:Q1	\$481,012	100%	10.93%
PRISMA - PASA	1998	\$1,035,296	53%	2.00%
	1999	\$1,833,345	66%	8.24%
	2000:Q1	\$2,534,598	69%	8.48%
Correlation Coefficient			0.830	
Student's t-statistic			2.97	

Sources: CARE and PRISMA. Correlation of rural lending proportion with 30-day delinquency rates.  
Student's-t statistic of 1.96 or higher significant at 99% level.

PRISMA also cites the fact of a prolonged recession in Peru as a major cause of the rise in delinquency rates witnessed in its program since 1998. The following chart sheds light on this question.

Delinquency Rates (30-day) and Economic Performance



Source: Banking and Insurance Superintendency. \*\*\*2000 GDP growth Jan. - June (Src: INEI)

The chart compares the performance of SEDER and PASA in terms of 30-day delinquency rates against that of the average performance of the Edpymes, which are formal micro-financing institutions falling under the supervision of the Superintendency of Banking and Insurance.<sup>5</sup> The Edpymes have until very recently been mainly focused on extending

<sup>5</sup> EDPYMEs: *Entidades de Desarrollo a la Pequeña y Micro Empresa*.

micro-credit to urban clients, so that in this sense their delinquency rates provide a good comparator to the increasingly rural focus of both SEDER and PASA.

As the chart shows, the average delinquency rate of the Edpymes tends to be stable and lower than 7%, although there was a substantial rise in 1997 associated with the failure of Credynpet (mainly due to administrative problems). This compares unfavorably with the rapidly rising delinquency rates achieved by SEDER (10.9% by March 2000) and PASA (8.5% by March 2000).<sup>6</sup>

The main question is why the delinquency rates of SEDER and PASA rose so dramatically. The chart establishes fairly conclusively that the reason is not general economic malaise. The trough of the growth recession in Peru was reached in 1998, the first year of SEDER and PASA program activities. Since then, increases in the 30-day delinquency rates of both institutions have occurred against a backdrop of macroeconomic recovery, not decline.<sup>7</sup>

It is true that the 30-day delinquency rates of private banks have paralleled or exceeded those of SEDER and PASA during the same period, rising to an average of 9.8% in March 2000. But this appears to have been caused more by the explosion of bank credit to the private sector that occurred in the latter half of the 1990s, especially in 1996, when it rose by nearly 50%, than by any lingering effects of the macroeconomic growth recession. It may have been the case that the explosion in lending included an unacceptably high number of unwise loans that are now being realized as nonperforming. But the performance of the private banks in Peru is much less pertinent to the performance of SEDER and PASA than is that of the Edpymes, which involve similar loan technologies and client profiles. And, in the absence of other intervening trends, such as location in regions in which the recession persists, or an increasing focus on lending to rural clients, there is no objective reason other than their increasing focus on rural clients, why micro-credit programs such as SEDER and PASA should not be mirroring the performance of the Edpymes.

In reality, not enough time has elapsed to determine whether the SEDER and PASA programs, with their increasing focus on rural lending, have been a success. But it is also true that, until quite recently, data were not being collected and reported by type of client (rural versus urban; agricultural production versus processing or commerce; and so on), that would allow analysis of the impact of their increased focus on rural lending. Until performance results are monitored over a longer period of time, by type of client, the best conclusion is that the jury is still out on the efficacy of extending micro-credit to rural, and agricultural, clients in Peru.

Provisioning for the past-due portfolio at both Edyficar and PRISMA is below 100%, with PRISMA showing a higher exposure. Both agencies show a clear rising trend to provision their past-due portfolios. By March 2000 Edyficar's provisioning reached 97%. MCP-

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<sup>6</sup> By way of comparison, in May 1999 USAID/Peru specified a 95% recuperation rate as its goal for microfinancing activities.

<sup>7</sup> Peruvian economists debate whether the ENEI estimate that the economy grew by 6% at an annualized rate during the first semester of 2000 is realistic; but even some of the most pessimistic economists are predicting a 3% growth rate for 2000 as a whole – substantially above the near-zero growth of 1997.

PRISMA exhibits similar behavior. After reaching 73% coverage in December 1999 its provisioning reached 81% in March 2000.

### **3.2.2 Profitability**

Worldwide, the net earnings-to-equity ratio for microcredit institutions ranges between -10 (worst) to +30 (best). To December 1998, Edyficar showed a negative -2% rate that rose to 14% in December 1999 and 12% in March 2000. MCP-PRISMA shows consistent though improving negative results that fluctuated from -10% to -5% and -1%, respectively.

Operating Sustainability measured by the financial income to total operating cost ratio shows extremely favorable results at Edyficar in the order of 190% in December 1999. MCP-PRISMA earned financial revenues that allowed to cover only 62% of its total operating costs to December 1999 though still showing a positive trend. This ratio improved to 81% by March 2000.

Our financial sustainability ratio measures total revenues as a proportion of total operating costs plus the capital opportunity cost at a 12% discount rate in foreign currency (US dollars). It shows that Edyficar reached 186% sustainability in March 2000. On the other hand, MCP-PRISMA failed to achieve financial sustainability, although its performance was improving, with sustainability rates in the range of 42% for 1998 rising to 65% in March 2000.

As has been presented in section 1.2, in the case of SEDER two important changes have been produced in management that affect the performance indicators reviewed in this evaluation. The first occurred on signing a trusteeship agreement with Edyficar in January of 1998, which was put into place after 6 months. The second involved the financial backing of Edyficar and the commitment of this institution to take over completely SEDER's credit operations, an accord that was signed in March of 1999, and which became operational after 11 months, at the beginning of February 2000. The profitability of SEDER's operations measured by the index of operative sustainability yielded a 70% rate in December of 1998 as compared with 181% in December of 1999, a period during which the trusteeship agreement was in effect. In March 2000, a month after Edyficar took over completely from SEDER the role of extending credit, the operative sustainability rate was 174%.

### **3.2.3 Efficiency**

Management efficiency is evaluated through the Operating Costs/Current Portfolio indicator. Edyficar was found to be more efficient than either SEDER or MCP-PRISMA, in that order. However, this ratio has deteriorated between December 1998 and March 2000.

In a range from 6% (best) to 41% (worst) relevant for microfinance organizations, MCP-PRISMA shows extremely high rates for December 1998 (37%) and December 1999 (41%), declining to 10% in March 2000.

Each loan officer manages \$58,000 at SEDER and \$64,000 at MCP-PRISMA. Edyficar shows productivity levels three times as high stemming from a loan portfolio that concentrates on loans to individual clients.

Edyficar's leverage measured as the ratio between loans and equity has fallen in recent years from a multiple of 4 in 1998 to 2.4 in March 2000. PRISMA fails to cover even once (64%) its equity through loans.

To December 1999, SEDER's efficiency was also low with a low balance of \$448,000 that represents 55% of the Title II funds (\$822,000). To the same date, PASA had performed better, having used 77% (\$1.8 million) of its Title II capital (\$2.4 million).

Although the Personal Expenses/Financial Revenues ratio at MCP-PRISMA is high, a substantial fall took place between 1998 (94%) and March 2000 (40%), thus reaching a level close to Edyficar's (32%). This is a remarkable evolution if we take into account that its portfolio is only half as large as Edyficar's, while its main credit technology is more complex and concentrates on smaller loans for rural areas.

Current information and control systems do not allow the agencies to manage cost centers and thus determine the real costs of various transactions in urban and rural areas by type of client and credit technology. PASA does not yet have an information system integrating accounting and loan information.

### 3.3 Exit Strategy and Replicability

PASA is only now developing its exit strategy. Although for the executing organism there is a clear understanding that it must formalize its transactions, the type of financial institution to be created has not yet been determined, nor has the level of independence from other programs and from the entire organization. The exit strategy could also be a portfolio management agreement with one or several formal institutions supported by the agencies or other organizations.

SEDER has a clear strategy to channel credit intermediation through the Edpyme EDYFICAR, which nonetheless will require improving the administration of its loan portfolio which to date yields high delinquency rates.

With respect to the non-financial services offered by SEDER, these are provided to some prospective micro-credit clients of Edyficar, and to other micro-entrepreneurs and families. The services provided to date have not been significant in the sense that one cannot assert that their absence would have limited the permanence of the credit portfolio of SEDER in Edyficar once the program concluded.

Given the embryonic nature of the subprograms under review, rather than explore their potential for replication we should look into the replication potential of some organizational experiences. In particular, it is worthwhile noting the transition of CARE's credit programs toward a well-positioned Edpyme, an experience that reflects cumulative improvements in the organization, its procedures, policies, risk controls and auditing.

Additionally, we must underscore the potential for replicating MCP-PRISMA's rapid growth experience over a relatively short period. This experience is unique because MCP-PRISMA makes loans for amounts similar to Edpymes that are already well established. Moreover, it has improved substantially its operating sustainability although it must still enhance its financial sustainability.

#### 4. Evaluation of Effectiveness

##### 4.1 Toward an Impact Evaluation

Given the subprograms short life (2 to 3 years), and their experimental nature, it did not seem appropriate to make an impact evaluation. However, we report below some components of such an evaluation.

##### 4.1.1 Target Population Coverage

**Population Economic Level** – COPEME evaluations in 1998 demonstrated that SEDER attends to communities in both poverty and extreme poverty located mainly in rural areas.<sup>8</sup> Under the same criteria PASA is found to attend to both poor and extremely poor clients. Two-thirds of PASA's rural clients fell below the average income of the average residents in the areas attended, while PASA's urban clients demonstrated a better situation in comparison to the average income in their areas.

Credit subprograms have allowed first-time access to credit to extremely poor and poor segments of the population, as reported in interviews with clients.

Nevertheless, the greater the poverty, the higher the loan's risk and the lower the possibility that it can be offset by higher interest rates given the limited sustainability of economic activities among extremely poor households.

Given this fact, organizations move from extremely poor to poor areas, in an effort to protect their institutional sustainability. Consequently, for example SEDER reduced its participation in the *Callejón de Conchucos* and moved to the *Callejón de Huaylas* where the people are less poor. Currently, approximately 70% of the disbursements of the Huaraz division correspond to Huaylas.

Both SEDER and PASA were launched by serving well-organized though extremely poor communities through health and nutrition programs. The communities' organization made client evaluation easier, although by underscoring the "client's responsibility" instead of profit rates and access to market, the repayment risk was underestimated compared to moral risk.

To the extent that the economic corridors strategy focuses on investment "not in areas where poor people live" but rather where "there is a potential for development," there is a

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<sup>8</sup> According to the definitions of poverty and extreme poverty of *Cuanto S.A.*



possibility of inconsistency, and the subprograms' initial goals that put a priority on serving the neediest may not be achieved.

So far, all subprograms have charged market interest rates (4 to 4.5% monthly rates in local currency), well below the rates of loan sharks. However, there are limits to how high interest rates can rise, with a chance of sacrificing transaction efficiency.

**Scope of Operation** - From the outset, the subprograms prioritized service to rural areas with the logical consequence that in practice, the loans were increasingly directed toward those areas.

SEDER and PASA are programs that are still in the embryonic stage, and therefore their results have not been fully achieved in the rural areas they serve. Because of their particular nature, rural credit programs require initial subsidy and maturity periods that are usually longer. They also require promoters with a capacity to evaluate the competitive potential and profitability of rural economic activities. The absence of these types of loan officials in some program locations may account for some bad loans.

Rural micro-credit has a higher operating cost than urban micro-credit, mainly because properties are more dispersed. It also involves a higher risk that may be offset by an appropriate portfolio diversification toward activities evolving in diverse environments. Fieldwork reveals both positive and negative experiences. Thus, for instance, loans for livestock breeding and marketing are successful in some Cajamarca areas, while loans for potato growing in Cajamarca and sheep herding in Huaylas were hurt by a saturated market and falling prices.

**Gender** - Community banks and revolving credit funds were initially built on the basis of women's organizations such as soup kitchens, mother's clubs and women organized around health and nutrition programs. This initial thrust favored increasing women's participation, which however has diminished gradually. However, there are other successful loan experiences in Peru catering to women engaged in small commerce and food businesses.

There is a need for improved credit technologies in order to better serve women.

#### **4.1.2. Income Generation and Market Access**

In the case of SEDER, studies in 1998 - 1999 indicated that monthly incomes of families of the micro-credit recipients improved by 25%. Studies conducted on behalf of PASA in 1997 and 1998 also revealed that clients effectively improved their incomes. These results are consistent with the fact that almost 95% of the clients we interviewed during field visits declared that credit had allowed them to expand their businesses or enter new fields, thus increasing sales.

#### **4.2 Strengths and Weaknesses of Credit Technologies**

The subprograms under review rely on group credit technologies. Individual credit technologies are used on a limited basis or are still in the planning stage.

### 4.2.1 Community Banks

#### *Strengths*

- Focus on extremely poor population to profit from lower operating costs and collateral requirements.
- An effective booster for small-scale commercial activities.
- Clients find market interest rates acceptable.
- Internal account savings provide a complementary source of funding to promote a savings culture and help lower delinquency risk.
- Group guarantees help to better identify good clients and facilitate loan recovery by the group's members.

#### *Weaknesses*

- Small amounts and short terms, as well as fixed ranges for each cycle prevent serving certain economic activities, such as raising livestock.
- For the poor population, this technology quickly reaches its limit, as they require increasingly larger loans.
- Among the extremely poor, loan repayment issues start at around the fourth cycle or when the client wishes to move to a loan scale where he requires more technical and market assistance.
- The personalization of savings in the internal account fosters "dropouts," as a result of the clients' receiving their savings at the end of the credit cycle.

### 4.2.2 Revolving Credit Funds

#### *Strengths*

- Focus on extremely poor population given the lower operating costs and collateral requirements.
- An effective booster for small-scale commercial activities.
- Clients find market interest rates acceptable.
- Group guarantees help to better identify good clients and facilitate loan recovery by the group's members.

#### *Weaknesses*

- High initial operational costs due to promotion and assessment expenses.
- Slow loan recovery due to long (18-month) repayment period that reduces the intermediary's liquidity.
- Large client groups require special information and control systems that have not yet been fully developed.
- Slow intermediary capitalization.

### 4.2.3 Solidarity Groups

#### *Strengths*

- An effective boost for small and not-so-small commercial activities.
- Clients find market interest rates acceptable.
- Lower rating and loan recovery costs.
- Group guarantees help to better identify good clients and facilitate loan recovery by the group's members.
- Particularly convenient for animal husbandry loans because of higher amounts and more flexible terms than community banks.

#### *Weaknesses*

- This technology reaches its limit when good clients who can provide sound collateral require larger loans under better repayment conditions.
- Services not on a massive scale.

## 4.3 Costs and Efficiency

### 4.3.1 Administrative Costs by Program

CARE and PRISMA's microfinance subprograms have already absorbed \$7.2 million of Title II resources though they still represent only 7% of the executed budget for all programs (Health and Nutrition, Agriculture and Microfinance) which for the 1996-1999 period reached \$102.3 million. The overhead to total loan – program budget ratio was 18.2% for micro-credit programs, as compared with 20.9% for health and nutrition, and 22.2% for agriculture and productive infrastructure.

### 4.3.2 Comparative Efficiencies

Among the intermediary organizations under review, Edyficar shows the greatest potential for growth and sustainability.

In the table below we present some indicators pointing to Edyficar's good performance and positioning in the financial system, taking into consideration its portfolio quality, yields, resource leverage and efficient management, as compared to average Edpymes and municipal S&Ls.

### 4.3.3 Leveraging

Organizations under the credit subprograms have a demonstrated capacity to raise funds from other financial sources and have even committed some of their own resources to these types of programs.

COMPARATIVE EVALUATION December 1999			
Indicators	Edpyme Edyficar	Edpymes Average	MS&L Average
<b>Portfolio Quality</b>			
Past Due Portfolio / Total Loan Balance	8%	7%	6%
Provisions / Past Due Portfolio	93%	97%	133%
<b>Profitability</b>			
Net Earnings / Equity	14%	6%	23%
Operating Sustainability	191%	195%	141%
<b>Leverage</b>			
Loans/Equity	302%	176%	378%
<b>Management</b>			
Operating Costs/Total Loan Balance	18%	23%	19%
Personal Expenses/Financial Revenues	33%	51%	19%

Note: MS&L= Municipal Savings and Loans.

As shown in the following table, Edyficar comprises less than 9% of the SEDER subprogram's total loans and has obtained credit lines from CARE Perú, the Dutch Pampas II Program, Fondemi (from the European Union) and Cofide, Peru's development financial corporation. It also manages a trust fund with resources from CARE Peru, the Ministry of Economy and Finance, Foncodes and the European Union.

MCP-PRISMA shows a greater reliance on PL-480 resources which account for 80% of total loans.

TITLE II SHARE OF THE LOAN PORTFOLIO (US\$)						
Portfolio Balances	Dec. 98	%	Dec. 99	%	Mar. 00	%
<b>CARE</b>						
Total EDYFICAR *	3,954,979	100%	6,891,888	100%	7,559,360	100%
SEDER (Title II)	365,312	9%	447,969	6%	481,011	6%
<b>PRISMA</b>						
Total MCP **	1,315,823	100%	2,254,244	100%	3,498,908	100%
PASA (Title II)	1,035,296	79%	1,833,345	81%	2,534,598	72%

\*Includes loans with resources lent by CARE-PERU, PAMPAS II, FONDEMI, COFIDE; trust funds from CARE-PERU, MEF, FONCODES, UNION EUROPEA; Title II – SEDER resources.

\*\* Includes loans from PRISMA and Title II-PASA internal resources.

Microcredit subprograms allowed good leveraging of financial resources in part because loan reflows are accounted as leveraged resources. Leveraged funds may also come from

local or international private sectors, international technical cooperation and government, emphasizing the importance of formalization.

One way to estimate the capitalization achieved by the subprograms is to measure the capital balance in relation to the executed budget. In the case of SEDER this ratio reached 72% in December 1999, while in the case of PASA it was 48%. That is, during the period under review, micro-credit programs leveraged financing more than 50% above amounts provided under PL-480 budgets.

ESTIMATED CAPITALIZATION BY PROGRAM			
	Executed Budget 1996 - 1999 (1)	Capital Balance to Dec. 99(2)	% (2)/(1)
Credit Programs	7,191	3,968	55%
SEDER (CARE)	2,219*	1,600	72%
PASA (PRISMA)	4,972*	2,368	48%

\*Estimated for the period by each agency.

## 5. Future Directions

### 5.1 Lessons Learned

- A sustainable micro-credit program cannot rely exclusively on serving extremely poor populations where economic activities create little income at a high operating cost, unless we are willing to pay more for loans and sacrifice efficiency.
- It is therefore relevant to look for intervention synergies in Economic Corridors, as it is both inefficient and ineffective to have each institution cover separately and without coordination all the required activities.
- Likewise, it is important to provide poverty fighting programs with a comprehensive approach by accompanying loan initiatives with technical assistance to production, advice in marketing, access to markets and technology transfer. Ideally, however, these services should not be provided by the credit agency itself.
- Formalizing loan operations through institutions of the Edpyme type has proved helpful in leveraging resources and achieving the operating and financial sustainability of intermediary organizations.
- Community Banks and Solidarity Groups have helped to serve the poor and indigent segments of the population who had never before had access to credit. However, these technologies need to be further adapted to make them more flexible.
- Financial terms under the various technologies and financial products (i.e. payment terms and periods, interest rates, loan amounts, loan-taker organization, collateral

management, loan and savings plans, etc.) should adapt to the users' social and economic conditions. For instance, one of the technologies used included standard loan terms and amounts for the whole rural area, thus constraining service to livestock raising activities.

- Too many changes in the donor's strategy have hurt the subprograms' performance.
- The programs under review mainly operate in rural areas where there is practically no competition to place loans. However, this advantage may vanish once competitors arrive, unless operating efficiency improves.
- Customer selection strategies must likewise improve and should be trusted to specialized promoters. It is also necessary to improve service to women clients.
- Although the subprograms' loans are not conditioned, credit applications should include an assessment of the applicant's main economic activity supporting the loan request.

## 5.2 Strategic Refocusing

- The reviewed subprograms are undergoing a growth process that requires intense efforts to improve organization, processes, risk controls and internal audits.
- Although this does not necessarily result in a supervised entity of the Edpyine type, it is crucial to adopt the same kind of standards. In the medium and long term, becoming a supervised organization would seem prudent, given the strict controls in risk controls and the higher leverage this status makes possible.
- Being able to introduce a rural credit model with a focus on gender that may be replicated throughout Peru requires the promotion of other experiences, bringing together highly specialized human resources and learning from experiences like those under evaluation in this report.
- Edyficar and MCP-PRISMA show a potential for working together, given the formal nature of the former and its well-earned positioning in the microcredit market, while the latter has good experience in rural areas.
- Exit strategies for microcredit programs must take into consideration mainly the sustainability of the programs, as well as economic development among the target population, risk levels, program complexity, synergies and resource leverage. The exit modality can be different, for example, in the case of SEDER it could be through Edyficar, while in the case of PASA, it could be via a portfolio management agreement with a formal institution
- It is also necessary to identify synergies between microfinance projects and non-financial service projects directed at strengthening their technical and managerial capabilities, and their access to markets.

- Each organization must determine the role it wishes micro-credit to play within its strategy to support the development of poor areas, and how much they wish to specialize in this line of support activities.
- PRISMA should introduce financial information systems to ensure the simultaneous monitoring of its portfolio and accounting entries.
- USAID should promote the development of a microfinance system involving an organization that would play the role of a second-tier bank to provide resources to specialized first-tier organizations after a thorough risk analysis. At the same time, it would provide specialized technical assistance and training, support research in the microfinance market, and develop credit technologies.
- Meanwhile, the intermediaries' sustainability should be strengthened through internal reengineering and an adjustment of the donor's parameters, in particular, relaxation of the goal of reaching a large percentage of loans under \$300. Likewise, there is much to gain from coordination among financing sources for microfinance activities. This would help prevent the introduction of multiple conditions and inflexibility of the kind that reduces operating efficiency and hampers the building of a sustainable portfolio.

# Annexes



# **ANNEX I**

## **Indicators and Results**

COOPERANTE: ADRA PERU  
Subprograma: NUTRICION INFANTIL

CUADRO RESUMEN

OBJETIVOS	INDICADORES	METAS PLANIFICADAS (Números estimados de los resultados en 5 años)	METAS MODIFICADAS	METAS EJECUTADAS 1996-1999
<b>PROPOSITO</b> Mejora en el estado de salud y nutricional de niños menores a 3 años con alto riesgo en localidades con familias pobres y en extrema pobreza.	Disminución de las tasas de desnutrición crónica en 10% (WIA $\angle$ 2z) de niños entre 12-36 meses de edad al final de 2 años.	3,213 niños menores de 36 meses con desnutrición aguda rehabilitada	29,303 niños (60%)	15,800 niños
<b>RESULTADOS</b> <u>Línea de Acción: Servicios</u>				
1. Centros de control y vigilancia de seguridad alimentaria funcionando en localidades de extrema pobreza	Disminución de la tasa de familias reingresantes al programa a través de identificación temprana de niños menores de 3 que presenten síntomas de desnutrición aguda.	228 comunidades instituyen centros de control y vigilancia de seguridad alimentaria	228 comunidades	Esta meta será medida a partir del 2000 y 2001
2. Bancos locales y otros servicios crediticios funcionando eficientemente	Incremento en 25% de familias con acceso a alimentos a través de la inversión para producción a menor escala y actividades productivas, con recuperación económica con pequeñas utilidades	15,300 mujeres que reciben pequeños préstamos  42,840 familias con huertos	26,314 mujeres  112,325 familias	44,438 mujeres (la cantidad del año 1997 está en proceso)  68,454 familias
3. Mejoramiento de los sistemas básicos de sanidad en las comunidades donde interviene el programa	Incremento en 80% de las comunidades que han mejorado sus sistemas de saneamiento básico y que contribuyen a la disminución en la prevalencia del EDA en 30% en niños menores a 3 años.	5,853 niños menores de 18 meses con diarrea en los últimos 15 días  8,508 niños menores de 18 meses con presencia de IRA en los últimos 15 días	2,521 niños  No existe información	1,632 niños  No existe información

<sup>1</sup> Información recogida del Marco Lógico del Convenio Original (Plan de Desarrollo Andino para la Seguridad Alimentaria ADRA PERU, Marzo 1999) y modificado de acuerdo

al Marco Lógico del documento DAP Amendment 2000-2001 ADRA PERU.

<sup>2</sup> Idem a la nota de pie de página anterior

<sup>3</sup> Información recogida de los reportes del documento DAP Amendment 2000-2001 ADRA PERU.

OBJETIVOS	INDICADORES	METAS PLANIFICADAS (Números estimados de los resultados en 5 años) <sup>3</sup>	METAS MODIFICADAS	METAS EJECUTADAS 1996-1999 <sup>2</sup>
<b>RESULTADOS</b> <u>Línea de Acción: Promoción</u>				
1. Madres capacitadas en salud y nutrición (nutrición básica, IRA, EDA y parasitosis, vacunación, planificación familiar, salud reproductiva, estimulación temprana y gestión).	El 80% de madres capacitadas en 5 de 8 temas al final de 6 meses.	No se consideró	134,400 madres capacitadas	86,060 madres capacitadas
2. Promotores capacitados en temas de salud y nutrición (nutrición básica, IRA, EDA y parasitosis, vacunación, planificación familiar, salud reproductiva, estimulación temprana y gestión).	100% de los promotores han recibido capacitación en los 8 temas.	No se consideró	No se consideró	No se consideró
<b>RESULTADOS</b> <u>Línea de Acción: Prevención</u>				
1. Niños vacunados y con controles de crecimiento y desarrollo	Número de niños atendidos en el programa de monitoreo (vacunación y controles)	6,835 niños de 24 a 36 meses con desnutrición crónica.	301,162 niños	160,925 niños
	70% de los niños menores a 36 meses con comportamiento adecuado a su edad al final de 6 meses.	87,210 niños menores de 36 meses con tendencia positiva en su curva de crecimiento	No se consideró	No se consideró
		64,260 niños menores de 36 meses con adecuado desarrollo para su edad	138,989 niños	82,351 niños
	70% de niños entre 12 y 24 meses con el cronograma de vacunación completo al final de 6 meses	58,659 niños de 9 a 36 meses vacunados	98,199 niños	39,937 niños

<sup>1</sup> Información recogida del Marco Lógico del Convenio Original (Plan de Desarrollo Andino para la Seguridad Alimentaria ADRA PERU, Marzo 199%) y modificado de acuerdo

al Marco Lógico del documento DAP Amendment 2000-2001 ADRA PERU.

<sup>2</sup> Idem a la nota de pie de página anterior

<sup>3</sup> Información recogida de los reportes del documento DAP Amendment 2000-2001 ADRA PERU

OBJETIVOS	INDICADORES <sup>2</sup>	METAS PLANIFICADAS (Números estimados de los resultados en 5 años) <sup>3</sup>	METAS MODIFICADAS <sup>3</sup>	METAS EJECUTADAS 1996-1999 <sup>3</sup>
2. Madres aplicando prácticas preventivas en salud y nutrición	<p>70% de mujeres embarazadas asisten a controles prenatales al final de 6 meses</p> <p>90% de infantes pesando por encima de 2,5 kg. al nacer al final de 6 meses</p> <p>60% de niños de 0 a 6 meses reciben lactancia materna exclusivamente al final de 6 meses.</p> <p>60% de niños entre 6 y 24 meses reciben 5 o más comidas balanceadas diarias al final de 24 meses.</p>	<p>No se consideró</p> <p>16,800 infantes pesan más de 2,5 kg.</p> <p>5,508 niños menores de 6 meses con lactancia materna exclusiva</p> <p>18,727 niños entre 6 y 18 meses con adecuada ablactancia</p> <p>30,845 niños mayores de 18 meses con una alimentación balanceada</p>	<p>4,830 mujeres</p> <p>9,088 infantes</p> <p>10,774 niños</p> <p>10,705 niños</p> <p>66,353 niños</p>	<p>716 mujeres</p> <p>6,068 infantes</p> <p>5,387 niños</p> <p>5,674 niños</p> <p>23,933 niños</p>
<b>RESULTADOS</b> <u>Línea de Acción: Rehabilitación</u>				
1. Niños con mejoramiento nutricional y de salud	<p>60% de niños menores a 3 años rehabilitados de desnutrición aguda al final de 6 meses.</p> <p>Incremento en el punto Z de la población beneficiaria entre el primer y sexto mes</p> <p>50% de familias graduadas del programa al final de cada seis meses.</p>	<p>64,260 niños menores de 36 meses graduados del programa</p> <p>No se consideró</p> <p>No se consideró</p>	<p>136,081 niños</p> <p>No se consideró</p> <p>No se consideró</p>	<p>72,561 niños</p> <p>No se consideró</p> <p>No se consideró</p>

<sup>1</sup> Información recogida del Marco Lógico del Convenio Original (Plan de Desarrollo Andino para la Seguridad Alimentaria ADRA PERU, Marzo 199%) y modificado de acuerdo

al Marco Lógico del documento DAP Amendment 2000-2001 ADRA PERU.

<sup>2</sup> Idem a la nota de pie de página anterior

<sup>3</sup> Información recogida de los reportes del documento DAP Amendment 2000-2001 ADRA PERU

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OBJETIVOS <sup>1</sup>	INDICADORES <sup>2</sup>	METAS PLANIFICADAS (Números estimados de los resultados en 5 años)	METAS MODIFICADAS	METAS EJECUTADAS '1996-1999'
<b>RESULTADOS</b> <u>Línea de Acción: Fortalecimiento</u>  2. Comunidades fortalecidas con capacidad de gestión y desarrollo humano	Número de comunidades de base operando eficientemente en alianza con los gobiernos locales	No se consideró	420 comunidades	Se trabajará en esta meta para el año 2000 y 2001
	Número de actividades educativas y trabajos de servicios básicos desarrolladas con recursos de la comunidad, gobierno local y del programa	No se consideró	No se consideró	No se consideró
	Número de mujeres líderes capacitadas en planeamiento participativo y temas de gestión.	No se consideró	12,915 mujeres	Se trabajará en esta meta para el año 2000 y 2001
	Número de mujeres líderes que dirigen comités de organizaciones de base	No se consideró	2,000 mujeres	Se trabajará en esta meta para el año 2000 y 2001
	Número de mujeres capacitadas en manejo de microempresas y habilidades productivas	No se consideró	12,415 mujeres	Se trabajará en esta meta para el año 2000 y 2001

#### FUENTES SECUNDARIAS REVISADAS:

- DAP Amendment 2000-2001, ADRA PERU
- Plan de Desarrollo Andino para la Seguridad Alimentaria. Solicitud de Fondos de la PL480 Titulo II para los AF. 1996-2000. ADRA PERU

<sup>1</sup> Información recogida del Marco Lógico del Convenio Original (Plan de Desarrollo Andino para la Seguridad Alimentaria ADRA PERU, Marzo 1996) y modificado de acuerdo

al Marco Lógico del documento DAP Amendment 2000-2001 ADRA PERU.

<sup>2</sup> Idem a la nota de pie de página anterior

<sup>3</sup> Información recogida de los reportes del documento DAP Amendment 2000-2001 ADRA PERU

COOPERANTE: ADRA PERU

Subprograma: GENERACION DE INGRESOS AGROPECUARIOS

## CUADRO RESUMEN

OBJETIVOS	INDICADORES	METAS PLANIFICADAS <sup>4</sup>	METAS MODIFICADAS <sup>5</sup>	METAS EJECUTADAS 1996-1999 <sup>6</sup>
<b>FIN</b> Disponibilidad y acceso a suficientes alimentos para 25,200 familias pobres y en extrema pobreza ubicadas en ocho corredores económicos en la zona rural del Perú	<ul style="list-style-type: none"> <li>Número de beneficiarios en extrema pobreza</li> </ul>	Disminución de 10% en los niveles de desnutrición crónica en niños menores de 5 años de familias beneficiarias del programa	No se especifica	No se especifica
<b>PROPOSITO</b> Incrementar los ingresos de las familias pobres y en extrema pobreza ubicadas en ocho corredores económicos en la zona rural del Perú	<ul style="list-style-type: none"> <li>Rendimiento de kilogramo por has</li> <li>Valor de producción</li> <li>Volumen en TM de la producción</li> <li>Valor de producción</li> <li>Volumen en TM de venta</li> <li>Valor de venta</li> </ul>	Incremento del 50% anual en las ventas de 20160 familias productoras para el mercado de corredores económicos.  Incremento del 30% anual de la producción agrícola para mejorar la disponibilidad de alimentos de los usuarios entre el 2000-2001	No se especifica	No se especifica
<b>RESULTADO</b> <u>Línea de Acción: Fortalecimiento de la organización comunal</u>  1. Mejoramiento de la productividad de las comunidades con apoyo de instituciones públicas y privadas a través de las organizaciones de base	No se especifica	No se especifica	No se especifica	No se especifica

<sup>4</sup> Información recogida del Marco Lógico del Convenio Original (Plan de Desarrollo Andino para la Seguridad Alimentaria ADRA PERU, Marzo 199%) y modificado de acuerdo

al Marco Lógico del documento DAP Amendment 2000-2001 ADRA PERU

<sup>5</sup> Idem a la nota de pie de página anterior

<sup>6</sup> Información recogida de los reportes del documento DAP Amendment 2000-2001 ADRA PERU.

OBJETIVOS <sup>4</sup>	INDICADORES <sup>5</sup>	METAS PLANIFICADAS <sup>6</sup>	METAS MODIFICADAS <sup>6</sup>	METAS EJECUTADAS 1996-1999 <sup>6</sup>
<b>RESULTADO</b> <u>Línea de Acción: Comercialización de productos agrícolas</u>  1. Mejoramiento en la comercialización de productos agrícolas comunales a través de comités de comercialización vinculados a la demanda del mercado.	<ul style="list-style-type: none"> <li>Número de microcuencas organizadas</li> <li>Número de prestatarios beneficiarios con fondo rotatorio</li> </ul>	20,260 familias  Incremento de producción mayor al 30%	No se especifica	No se especifica
<b>RESULTADO</b> <u>Línea de Acción: Producción</u>  1. Mejoramiento de la producción agrícola de las familias beneficiarias participantes del programa	<ul style="list-style-type: none"> <li>Volumen en TM de producción</li> <li>Número de familias beneficiarias</li> <li>Número de comunidades beneficiarias</li> </ul>	9,660 TM de productos agrícolas al finalizar las campañas	27,299 TM producidas	17,636 TM

<sup>4</sup> Información recogida del Marco Lógico del Convenio Original (Plan de Desarrollo Andino para la Seguridad Alimentaria ADRA PERU, Marzo 199%) y modificado de acuerdo

al Marco Lógico del documento DAP Amendment 2000-2001 ADRA PERU

<sup>5</sup> Idem a la nota de pie de página anterior

<sup>6</sup> Información recogida de los reportes del documento DAP Amendment 2000-2001 ADRA PERU.

OBJETIVOS <sup>4</sup>	INDICADORES <sup>5</sup>	METAS PLANIFICADAS <sup>6</sup>	METAS MODIFICADAS <sup>6</sup>	METAS EJECUTADAS 1996-1999 <sup>6</sup>
<b>RESULTADO</b> <b>Línea de Acción: Infraestructura productiva básica</b>				
1. Mejoramiento de la infraestructura productiva de las familias beneficiarias y sus comunidades.	<ul style="list-style-type: none"> <li>▪ Número de has.</li> <li>▪ Km. de canal de riego construido</li> <li>▪ Km. de canal de riego rehabilitado</li> <li>▪ Número de reservorios construidos</li> <li>▪ Volumen en m3 de reservorios construidos</li> <li>▪ Número de pozos artesanos construidos</li> <li>▪ Número de has. incorporadas con andenes y terrazas</li> <li>▪ Número de has. Incorporadas con control de cárcavas</li> <li>▪ Número de has. Incorporadas con Waru Waru</li> <li>▪ Número de has incorporadas con Waru Wasi</li> <li>▪ Número de has incorporadas con defensa ribereña</li> <li>▪ Número de has con plantones establecidos</li> <li>▪ Km. construido de vías de acceso</li> <li>▪ Km. rehabilitado de vías de acceso</li> <li>▪ Número de tambos de semilla</li> <li>▪ Número de tambos para transformación</li> <li>▪ Número de tambos para comercialización</li> <li>▪ Número de bañaderos</li> <li>▪ Número de abrevaderos</li> <li>▪ Número de centros de transformación</li> <li>▪ Número de prestatarios beneficiarios con fondo rotatorio</li> </ul>		<ul style="list-style-type: none"> <li>▪ 7,090 has</li> <li>▪ 53,719 familias</li> <li>▪ 7,267 has.</li> <li>▪ 24,566 familias</li> <li>▪ 7,424 has productivas</li> <li>▪ 32,892 familias</li> <li>▪ 4,962 km</li> <li>▪ 55,508 familias beneficiarias</li> <li>▪ 528 unidades</li> <li>▪ 34,390 familias beneficiarias de estas unidades</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3,482 has</li> <li>▪ 29,319 familias</li> <li>▪ 4,267 has</li> <li>▪ 24,566 familias</li> <li>▪ 4,174 has</li> <li>▪ 19,892 familias</li> <li>▪ 4,152 km</li> <li>▪ 29,588 familias</li> <li>▪ 367 unidades</li> <li>▪ 22,710 familias</li> </ul>

<sup>4</sup> Información recogida del Marco Lógico del Convenio Original (Plan de Desarrollo Andino para la Seguridad Alimentaria ADRA PERU, Marzo 199%) y modificado de acuerdo al Marco Lógico del documento DAP Amendment 2000-2001 ADRA PERU

<sup>5</sup> Idem a la nota de pie de página anterior

<sup>6</sup> Información recogida de los reportes del documento DAP Amendment 2000-2001 ADRA PERU.



COOPERANTE: CARE PERU  
Subprograma: ALTURA

### CUADRO RESUMEN

OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS <sup>2</sup>	METAS MODIFICADAS <sup>2</sup>	METAS EJECUTADAS <sup>2</sup> 1996 - 1999
<b>PROPOSITO</b>  Incrementar la disponibilidad de alimentos y los ingresos de las familias que viven en situación de pobreza en comunidades de las zonas alto andinas del Perú, fortaleciendo su base productiva.	<b>A setiembre del 2000:</b> <ul style="list-style-type: none"> <li>Incremento del volumen de producción promedio en el nivel familiar con respecto a la línea de base: 70% en papa (de 1,002 kg. a 1,703 kg.), 52% en trigo (de 148 kg. a 225 kg.), 40% en cebada (de 154 kg. a 216 kg.), 50% en maíz amiláceo (de 150 kg. a 225 kg.)</li> <li>Incremento del 20% en el valor promedio de ventas de la producción agrícola con respecto a los datos de base registrados en cada departamento (familias residentes en ámbitos vinculados a corredores económicos).</li> <li>Proporción de venta con respecto a la inversión es de orden de 2 a 1 (\$).</li> <li>Incremento del 20% de jornales (creados) anual a nivel de cada comunidad.</li> </ul>	Incrementos: 70% en papa, 52% en trigo, 40% en cebada y 50% en maíz amiláceo.  Incremento del 20% en valor promedio de ventas.  Ventas/orden = 2/1 (\$)  Incremento del 20% de jornales creados.	Sin modificación  Sin modificación  Sin modificación  Sin modificación	En proceso de elaboración (Informe AF 2000 de CARE)

<sup>1</sup> Información recogida del documento Plan de Monitoreo y Evaluación de CARE PERU, Diciembre 1999 y actualizada con el documento Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria - CARE PERU (Marzo 2000).

<sup>2</sup> Información recogida de los documentos: Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria - CARE PERU (Marzo 2000) y, Sustainable Food Security Program - Development Activity Proposal Amendment FY 2000-20001 - CARE PERU (May 1999)

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OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS <sup>2</sup>	METAS MODIFICADAS <sup>2</sup>	METAS EJECUTADAS <sup>2</sup> 1996 – 1999
<b>RESULTADOS</b>	<b>En Setiembre del 2,000:</b>			<b>(Avance de ejecución oct-set 99):</b>
1) Suelos de uso agrícola mejorados (conservados y protegidos contra la erosión) en producción con rendimientos superiores al promedio de la zona.	a) 1,100 comunidades cuentan con tierras de uso agrícola actual mejoradas mediante técnicas de conservación, protección y agroforestación (33,269 ha.). b) 1,100 comunidades cuentan con plantaciones forestales masivas (11,914 ha.) c) La productividad de los cultivos(*) se incrementa con respecto a los datos promedio de la zona: 50% en papa, 30% en cereales (trigo, cebada, maíz amiláceo) y 30% en leguminosas (habas, alverja).	a) 1,100 cc.cc/ 33,269 ha. b) 1,100 cc.cc/ 11,914 ha. c) Incrementos: 50% en papa, 30% en cereales y 30% en leguminosas.	a) 1,100 cc.cc/ 24,938 ha. b) Sin modificación c) Sin modificación. d) 1,100 comunidades cuentan con tierras marginales mejoradas y en uso mediante técnicas de conservación de suelos (8,331 ha.)	a) 1,093 cc.cc/ 5,878 has. b) 1,091 cc.cc/ 5,407 c) En proceso d) No existe información.

- La productividad (rendimiento: kg/ha.) que el proyecto considera (50% en papa, 30% en cereales, 30% en leguminosas), responde básicamente a: mejor calidad de semillas, mejoramiento del suelo (mayor capacidad de retención de la humedad y nutrientes), protección contra las heladas y vientos fuertes, asistencia técnica en el manejo de los cultivos incluido el control biológico/cultural de plagas y ocasionalmente incorporación de fertilizantes y pesticidas sintéticos.

<sup>1</sup> Información recogida del documento Plan de Monitoreo y Evaluación de CARE PERU, Diciembre 1999 y actualizada con el documento Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000).

<sup>2</sup> Información recogida de los documentos: Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000) y, Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)

OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS <sup>2</sup>	METAS MODIFICADAS <sup>2</sup>	METAS EJECUTADAS <sup>2</sup> 1996 – 1999
<b>RESULTADOS</b>				(Avance de ejecución oct-set 99):
2) Mecanismos de acceso a insumos agrícolas, fortalecidos.	a) 1,100 comunidades con fondos rotatorios de insumos en funcionamiento. b) El 80% de las familias participantes (43,560) tienen acceso regular anual a los insumos de fondo rotatorio. c) Recuperación de fondos con interés anual mayor al 10% en promedio. d) Tasa de morosidad del 5% a 60 días contados desde las fechas de cosechas.	a) 1,100 cc.cc/ b) 43,560 familias c) Fondos con interés > al 10% anual. d) Tasa de morosidad del 5%.	a) Sin modificación. b) Sin modificación. c) Sin modificación. d) Sin modificación	a) 1,093 comunidades. b) En proceso c) En proceso d) En proceso
<b>RESULTADOS</b>				(Avance de ejecución oct-set 99):
3) Condiciones de acceso de las familias al mercado fortalecidos.	a) 1,100 comunidades con vías de acceso mejoradas. b) Establecimiento de 150 puntos de información de precios y oportunidades de mercado.	a) 1,100 cc.cc b) 150 puntos de información.	a) Sin modificaciones. b) Sin modificaciones.	a) 1,093 comunidades. b) No se considera
<b>RESULTADOS</b>				(Avance de ejecución oct-set 99):
4) Participantes con conocimientos y habilidades técnico productivas ligadas a la producción agro forestal.	a) Al menos 2 promotores capacitados en cada comunidad viene impartiendo conocimientos técnicos – productivos (agroforestería, conservación de suelos y cultivos). b) El 70% de los capacitados viene aplicando los conocimientos impartidos.	a) 2 promotores por cc.cc b) 70% aplican conocimientos impartidos.	a) Sin modificaciones. b) Sin modificaciones.	a) 2,186 promotores. b) En proceso

<sup>1</sup> Información recogida del documento Plan de Monitoreo y Evaluación de CARE PERU, Diciembre 1999 y actualizada con el documento Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000).

<sup>2</sup> Información recogida de los documentos: Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000) y, Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)

**FUENTES SECUNDARIAS REVISADAS:**

- Plan de Monitoreo y Evaluación / Titulo II / AF 2000, CARE PERU (Diciembre, 1999)
- Reporte semestral acumulativo 1999 / Programa de Seguridad Alimentaria, CARE PERU

**DOCUMENTOS ADICIONALES:**

- Proyecto ALTURA-2, Estudio de Línea de Base, CARE
- FY 1996, Title II Results Report, FY 1997 Previously Approved Activities (PAA), Febrero 1997, CARE PERU
- Development Project Proposal / Sustainable Food security Project
- Sustainable Food security Program – Previously Approved Activities
- Sustainable Food security Program – Development Activity Proposal Amendment – FY 2000 – 2001

**COOPERANTE: CARE PERU**  
**Subprograma: NIÑOS**

**CUADRO RESUMEN**

<b>OBJETIVOS<sup>1</sup></b>	<b>INDICADORES<sup>1</sup></b>	<b>METAS PLANIFICADAS<sup>2</sup></b>	<b>METAS MODIFICADAS<sup>2</sup></b>	<b>METAS EJECUTADAS<sup>2</sup> (1996 – 1999)</b>
<b>PROPOSITO</b>  Mejorar el estado nutricional de los NIÑOS menores de cinco años con énfasis en los menores de tres, en las zonas rurales de Puno, Ancash, Piura Cajamarca y Ayacucho.	<b>A setiembre del 2000:</b>  a) Reducción de la prevalencia de desnutrición crónica.	<i>(Programado AF 99):</i> Prevalencia: 54%	a) Reducir la tasa de desnutrición crónica en 305 en los NIÑOS menores de tres años.  b) Reducir la tasa de desnutrición crónica en 27% en menores de cinco años.	(Avance de ejecución oct-set 99):  Prevalencia: 57% (NIÑOS III)
<b>RESULTADOS</b>  1) Mujeres capacitadas en aspectos de nutrición y salud materno infantil.	a) Número de madres capacitadas en salud y nutrición. (5 de 8 módulos).	<i>(Programado AF 99):</i> 3,510 (NIÑOS III) 6,092 (NIÑOS IV)	a) 80% (5,400) madres de NIÑOS menores de cinco años han completado 5 de los 8 módulos de capacitados en salud materno infantil.  b) 90% de madres con NIÑOS menores de 6 meses dan lactancia materna exclusiva.  c) 80% de NIÑOS entre 6-12 meses reciben 4 comidas espesas al día.	(Avance de ejecución oct-set 99):  4,200 (NIÑOS III)  No aplicable

<sup>1</sup> Información recogida del documento Plan de Monitoreo y Evaluación de CARE PERU, Diciembre 1999 y actualizada con el documento Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000).

<sup>2</sup> Información recogida de los documentos: Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000) y, Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)

OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS <sup>2</sup>	METAS MODIFICADAS <sup>2</sup>	METAS EJECUTADAS <sup>2</sup> 1996 – 1999
<b>RESULTADOS</b>		(Programado AF 99):		
2) Escolares capacitados en aspectos de salud básica y nutrición.	a) Número de escolares capacitados en salud y nutrición. (5 de 7 módulos).	5,450 (NIÑOS III) 14,669 (NIÑOS IV)	a) 80% (10,800) de escolares de primaria han completado 5 módulos de los 8 módulos de capacitación en salud básica y nutrición.  b) 80% de escuelas intervenidas incorporan los temas de salud y nutrición en la currícula.	4,940 (NIÑOS III)  No se aplica

<sup>1</sup> Información recogida del documento Plan de Monitoreo y Evaluación de CARE PERU, Diciembre 1999 y actualizada con el documento Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000).

<sup>2</sup> Información recogida de los documentos: Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000) y, Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)

OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS <sup>2</sup> (Programado AF 99):	METAS MODIFICADAS <sup>2</sup> Al final del ciclo <sup>27</sup>	METAS EJECUTADAS <sup>2</sup> 1996 – 1999 Avance de ejecución oct-set 99):
<b>RESULTADOS</b>				
3) Sistema de vigilancia en salud y nutrición funcionando.	<p>a) Número de niños; a) 36 meses y b) 60 meses de edad que participan en el programa de nutrición infantil.</p> <p>b) Porcentaje de reducción de desnutrición global &lt; 60 meses y &lt; 36 meses.</p> <p>c) Porcentaje de reducción de desnutrición aguda en &lt; 60 meses y 36 meses.</p> <p>d) Niños menores de 12 meses y de 12 a 24 meses que han recibido inmunizaciones recomendadas y completas respectivamente.</p> <p>e) Número de promotores de salud capacitados.</p>	<p>a) Ciclo III &lt;36 meses: 4,050 &lt;60 meses: 7,100 Ciclo IV &lt;36 meses: 7,100 &lt;60 meses: 13,125</p> <p>b) &lt;36 meses: 40% &lt;60 meses: 40%</p> <p>c) &lt;36 meses: 80% &lt;60 meses: 80%</p> <p>d) &lt;12 meses: 45% 12 – 23 meses: 80%</p> <p>e) 555</p>	<p>- 90% (7,088) NIÑOS menores de cinco años cumplen controles mínimos de peso según normas del MINSA.</p> <p>- 90% de NIÑOS de 12 a 23 meses (3,240), tienen sus vacunas completas para su edad.</p> <p>- La desnutrición global es reducida en un 40% en NIÑOS menores de 5 años y de 3 años en relación a la basal.</p> <p>- Hay una ganancia de un promedio de 0.3 de Z score de la relación peso/edad en NIÑOS desnutridos detectados menores de tres años y menores de 5 años.</p> <p>- La desnutrición aguda es reducida en un 80% en NIÑOS menores de tres años y 70% en menores de cinco en relación al basal.</p> <p>- 90% (450) promotores de salud capacitados y reconocidos por la organización comunal y MINSA.</p> <p>- Asociación de promotores constituida y funcionando.</p>	<p>a) Ciclo III &lt;36 meses: 3,677 &lt;60 meses: 6,450 Ciclo IV &lt;36 meses: 6.094 &lt;60 meses: 10157</p> <p>b) &lt;36 meses: en revisión &lt;60 meses: 25%</p> <p>c) &lt;36 meses: No aplica &lt;60 meses: No aplica</p> <p>d) &lt;12 meses: 58.5% 12 – 23 meses: 68.5%</p> <p>e) 180</p>

105 <sup>27</sup> Las cifras de los indicadores se basan en lo logrado por el proyecto en años anteriores.

OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS <sup>2</sup>	METAS MODIFICADAS <sup>2</sup>	METAS EJECUTADAS <sup>2</sup> 1996 – 1999
<b>RESULTADOS</b>		(Programado AF 99):		Avance de ejecución oct-set 99):
4) Sistemas de agua potable y letrinas instalados y funcionando.	a) Número de sistemas de agua y letrinas instaladas.  b) Número de familias beneficiadas con sistemas de agua y con letrinas.  c) Porcentaje de reducción de EDA en <5 años.	a) Sist. de agua: 75 Pozos: 200 Letrinas: 2,200  b) Fam. con sist. agua: 3,000. Fam. con pozos: 2,000 Fam. con letrinas: 2,200  c) 30%	a) 100% de sistemas de agua (75) y letrinas (6,000) previstos, instalados.  b) 3,000 familias beneficiadas con sistemas de agua y 6,000 letrinas.  c) La incidencia de EDA es reducida en un 30% en NIÑOS menores de 5 años de familias con sistemas de saneamiento básico instalado. <sup>3</sup>  d) 100% (75) de Juntas administradoras de agua instaladas y funcionando.	a) Sist. agua: 28 Pozos: 167 Letrinas: 2,304  b) Fam. con sist. agua: 1,120 Fam. con pozos: 1,670 Fam. con letrinas: 2,304  c) No aplica
<b>RESULTADOS</b>		(Programado AF 99):		Avance de ejecución oct-set 99):
5) Familias capacitadas en saneamiento básico	a) Número de familias capacitadas en saneamiento.	5,400 familias son capacitadas en medidas de saneamiento básico.	5,400 familias	3,871 familias

<sup>3</sup> Cifras basadas en el impacto logrado por el proyecto de Agua potable.

<sup>1</sup> Información recogida del documento Plan de Monitoreo y Evaluación de CARE PERU, Diciembre 1999 y actualizada con el documento Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000).

<sup>2</sup> Información recogida de los documentos: Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000) y, Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)



#### FUENTES SECUNDARIAS REVISADAS:

- Plan de Monitoreo y Evaluación / Titulo II / AF 2000, CARE PERU (Diciembre, 1999)
- Reporte semestral acumulativo 1999 / Programa de Seguridad Alimentaria, CARE PERU

#### DOCUMENTOS ADICIONALES:

- Proyecto ALTURA-2, Estudio de Línea de Base, CARE
- FY 1996, Title II Results Report, FY 1997 Previously Approved Activities (PAA), Febrero 1997, CARE PERU
- Development Project Proposal / Sustainable Food security Project
- Sustainable Food security Program – Previously Approved Activities
- Sustainable Food security Program – Development Activity Proposal Amendment – FY 2000 – 2001

**COOPERANTE: CARE PERU**  
**Subprograma: SEDER**

*"Las actividades del proyecto SEDER formaban parte del proyecto NIÑOS, luego este componente es separado por diversas razones y se da origen al proyecto SEDER (1998)"*<sup>1</sup> [Reporte Semestral Acumulativo 1999 – CARE – p. 17/32]

**CUADRO RESUMEN**

OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS 1996-2000 <sup>2</sup>	METAS MODIFICADAS <sup>2</sup>	METAS EJECUTADAS <sup>4</sup> 1996 – 1999				
				Ejecutado en NIÑOS		Ejecutado en SEDER		Total
				1996	1997	1998	1999	
<b>PROPOSITO</b> Incrementar los ingresos de las familias pobres de la zona rural de Puno, Cajamarca, Huaráz y Ayacucho.	Los participantes han incrementado sus ingresos familiares:  - 1,344 en por lo menos 15% - 480 participantes hasta 14%	Falta información secundaria.	Falta información secundaria.	N.E.	N.E.	N.E.	N.E.	—
<b>RESULTADOS</b> 1) Incremento del nivel de ventas de los participantes del proyecto	Las personas que han recibido crédito o capacitación ha incrementado el valor promedio de ventas de sus productos y servicios en relación a los datos iniciales:  - 1,715 en 15% - 344 hasta 14%	Falta información secundaria.	Falta información secundaria.	N.E.	N.E.	N.E.	N.E.	—

<sup>1</sup> Información recogida del documento Plan de Monitoreo y Evaluación Título II – AF 2000 de CARE PERU, Diciembre 1999 y actualizada con el documento Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000).

<sup>2</sup> Información recogida de los documentos: Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000) y, Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)

<sup>4</sup> Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)

OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS 1996-2000 <sup>2</sup>	METAS MODIFICADAS <sup>2</sup>	METAS EJECUTADAS <sup>4</sup> 1996 – 1999					
				Ejecutado en NIÑOS		Ejecutado en SEDER		Total SEDER	Total PSAS
				1996	1997	1998	1999		
Fondos rotatorios de crédito instalados y en funcionamiento	Número de fondos rotatorios de crédito (FRC)\	141 FRC	"Las actividades del proyecto SEDER formaban parte del proyecto NIÑOS, luego este componente es separado por diversas razones y se da origen al proyecto SEDER (1998)" [Reporte Semestral Acumulativo 1999 – CARE – p. 17/32]	N.E.	N.E.	91 FRC	172 FRC	263 FRC	263 FRC
	Número de Comités del Crédito que completan el entrenamiento de dirección comercial	141 Comités de Crédito con entrenamiento completo		N.E.	N.E.	58 Comités	172 Comités.	230 comités	230 comités
	Número de organizaciones que tienen una morosidad por debajo del 5% en sus fondos rotatorios	N.E.		N.E.	N.E.	N.E.	172	172 organizaciones	172 organizaciones
	Porcentaje de morosidad 30, 60 y 90 días	5%		¿?	2% de morosidad	0% de morosidad	3 %.	3% de morosidad	
	Número préstamos otorgados por FRs.	4,448 préstamos otorgados		4,080. Préstamos	2,277 Préstamos	1,371 préstamos	2,984 préstamos	4,355 préstamos	10,660 préstamos
	Número de mujeres que han recibido préstamos	3,314 mujeres		4,080	2,277.	1097 mujeres	2,089 mujeres	3,186 mujeres	9,543 mujeres
	30% de créditos que otorgan los fondos rotatorios formados el primer año de funcionamiento son recibidos por tercera vez (360)\	No se especifica		N.E.	N.E.	N.E.	N.E.	N.E.	N.E.
	90% es decir 324 de créditos reciclados por tercera vez han duplicado el monto inicial del crédito	No se especifica		N.E.	N.E.	N.E.	N.E.	N.E.	N.E.

<sup>1</sup> Información recogida del documento Plan de Monitoreo y Evaluación Título II – AF 2000 de CARE PERU, Diciembre 1999 y actualizada con el documento Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000).

<sup>2</sup> Información recogida de los documentos: Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000) y, Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)0

<sup>4</sup> Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999) y FY 1999 Title II Results Report, January 31, 2000, CARE PERU.

OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS <sup>2</sup>	METAS MODIFICADAS <sup>2</sup>	METAS EJECUTADAS <sup>4</sup> 1996 – 1999				
				Ejecutado en NIÑOS		Ejecutado en SEDER		Total SEDER
				1996	1997	1998	1999	
Los participantes del proyecto son capacitados en aspectos de gestión empresarial y aspectos técnicos	Número de participantes que reciben capacitación saben abordar 2 de 3 temas enseñados	6,345 personas capacitadas en gestión de negocios		N.E.	N.E.	2,757 personas	1,003 personas	3,760 personas capacitadas
Los participantes del proyecto con capacidad de pago comprobada son sujetos de crédito del sistema financiero	343 socios acceden a créditos de EDYFICAR u otra institución financiera  100% trabajan con tasas de interés del mercado	Falta información secundaria		N.E.	N.E.	N.E.	N.E.	--

<sup>1</sup> Información recogida del documento Plan de Monitoreo y Evaluación Título II – AF 2000 de CARE PERU, Diciembre 1999 y actualizada con el documento Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000).

<sup>2</sup> Información recogida de los documentos: Reporte Semestral Acumulativo 1999 del Programa de Seguridad Alimentaria – CARE PERU (Marzo 2000) y, Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)

<sup>4</sup> Sustainable Food Security Program – Development Activity Proposal Amendment FY 2000-20001 – CARE PERU (May 1999)

#### FUENTES SECUNDARIAS REVISADAS:

- Plan de Monitoreo y Evaluación / Título II / AF 2000, CARE PERU (Diciembre, 1999)
- Reporte semestral acumulativo 1999 / Programa de Seguridad Alimentaria, CARE PERU
- Sustainable Food security Program – Development Activity Proposal Amendment – FY 2000 – 2001

#### DOCUMENTOS ADICIONALES:

- Proyecto ALTURA-2, Estudio de Línea de Base, CARE
- FY 1996, Title II Results Report, FY 1997 Previously Approved Activities (PAA), Febrero 1997, CARE PERU.
- Development Project Proposal / Sustainable Food security Project.
- Sustainable Food security Program – Previously Approved Activities.

PSAS: Programa de Seguridad Alimentaria Sostenible

**COOPERANTE:** CARITAS  
**Subprograma:** WIÑAY

### CUADRO RESUMEN

OBJETIVOS <sup>(a)</sup>	INDICADORES <sup>(a)</sup>	METAS PLANIFICADAS <sup>(b)</sup>	METAS MODIFICADAS <sup>(b)</sup>	METAS EJECUTADAS 1997 – 1999 <sup>(b)</sup>
<b>PROPOSITO</b> Mejorar el estado nutricional y de salud de los niños de 5 años, con énfasis en los menores de 3 años, que viven dentro de los ámbitos donde se ejecuta el proyecto.	Incidencia de la Desnutrición crónica en niños de 24 a 35 meses de edad.	40 de incidencia <sup>1</sup>	No se especifica	45.16 de incidencia
<b>RESULTADOS</b>	Niños controlados	257,347 niños	228,779 niños	207657 niños
1. Niños en riesgo y niños desnutridos y recuperados.	Incidencia de desnutrición global.	26.8% <sup>2</sup>	No se especifica	25.7 <sup>3</sup>
	Incidencia de desnutrición aguda	6.75% <sup>4</sup>	No se especifica	4.9 <sup>5</sup>
	Niños graduados del programa.	181,185 niños	153,262 niños	96081 niños
2. Sistemas comunales de control de crecimiento y de salud del niño funcionando.	UROC en funcionamiento. <sup>6</sup>	240 UROC	No se especifica	235 UROC
	Niños de 12 a 23 meses que han recibido un esquema completo de vacunaciones.	80% <sup>7</sup>	No se especifica	77%
3. Madres capacitadas adecuadamente en temas de nutrición y salud infantil.	Madres registradas en el programa.	46,327 madres	No se especifica	58120 madres
	Madres con ciclo completo de capacitación.	113,978 madres	148,528 madres	103,350 madres

(a) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II – Fiscal Year 1998 – CARITAS DEL PERU (Febrero 1999), y del Plan de Monitoreo de Ejecución de Proyectos 2000 – Unidad de Planificación, Monitoreo y Evaluación UPME – CARITAS DEL PERU

(b) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II, Fiscal Year 1998 CARITAS DEL PERU (Febrero 1999), del DAP

Amendment Proposal PL 480 Title II for FY 1999 CARITAS DEL PERU (Agosto 1998), y del Annual Results Report PL 480 Title II- Fiscal Year 1999 CARITAS DEL PERU (Febrero 2000).

<sup>1</sup> Meta de 1999.

<sup>2</sup> Promedio de las metas en porcentajes, 31% y 22.7% propuestas para los años de 1997 y 1998 respectivamente.

<sup>3</sup> Porcentaje logrado en el año de 1998.

<sup>4</sup> Promedio de las metas en porcentajes, 105 y 3.5% propuestos para los años de 1997 y 1998 respectivamente.

<sup>5</sup> Porcentaje logrado en el año de 1998.

<sup>6</sup> Meta y logro de 1998.

<sup>7</sup> Meta y logro de 1998

<sup>8</sup> Meta de 1998.

<sup>9</sup> Meta y logro de 1998.

OBJETIVOS <sup>(a)</sup>	INDICADORES <sup>(a)</sup>	METAS PLANIFICADAS <sup>(b)</sup>	METAS MODIFICADAS <sup>(b)</sup>	METAS EJECUTADAS 1997 - 1999 <sup>(b)</sup>
4. Familias más pobres con acceso a servicios de agua potable, saneamiento básico y los servicios de salud.	a) Sistemas locales de agua construidos. <sup>10</sup>	41 sistemas locales	No se especifica	53 sistemas locales
	b) Sistemas locales de agua funcionando. <sup>11</sup>	34 sistemas	No se especifica	53 sistemas
	c) Familias con acceso a agua potable. <sup>12</sup>	3997 familias	No se especifica	3294 familias
	d) Letrinas familiares construidas.	13,339 letrinas	14,945 letrinas	18,757 letrinas
	e) Familias cuentan con letrinas. <sup>13</sup>	12174 familias con letrina	No se especifica	6,519 familias con letrina
	f) Botiquines comunales construidos.	193 botiquines	146 botiquines	153 botiquines
	g) Postas médicas construidas.	21 postas	18 postas	20 postas
	h) Atenciones por cada posta. <sup>14</sup>	28304 atenciones	No se especifica	0 atenciones
	i) Comité local de administración de servicios sanitarios funcionando. <sup>15</sup>	18 comités	No se especifica	18 comités

(a) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II - Fiscal Year 1998 - CARITAS DEL PERU (Febrero 1999), y del Plan de Monitoreo de Ejecución de Proyectos 2000 - Unidad de Planificación, Monitoreo y Evaluación UPME - CARITAS DEL PERU

(b) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II, Fiscal Year 1998 CARITAS DEL PERU (Febrero 1999), del DAP

Amendment Proposal PL 480 Title II for FY 1999 CARITAS DEL PERU (Agosto 1998), y del Annual Results Report PL 480 Title II- Fiscal Year 1999 CARITAS DEL PERU (Febrero 2000).

<sup>10</sup> Meta y logro de 1998.

<sup>11</sup> Meta y logro de 1998.

<sup>12</sup> Meta y logro de 1998.

<sup>13</sup> Meta y logro de 1998.

<sup>14</sup> Meta y logro de 1998.

<sup>15</sup> Meta y logro de 1998.

#### **FUENTES SECUNDARIAS REVISADAS:**

- Dap Amendment Proposal / PL 480 Title II / For FY 1999 – Cáritas del Perú (August, 1998)
- Annual Results Report / PL 480 Title II / Fiscal Year 1998 – Cáritas del Perú (February, 1999).
- Dap Amendment Proposal / FY 2000 / PL 480 Title II / Final Version – Cáritas del Perú (May, 1999).
- Annual Results Report / PL 480 Title II / Fiscal Year 1999 – Cáritas del Perú (February, 2000).
- Plan de Monitoreo de Ejecución de Proyectos 2000 – Cáritas del Perú. (Unidad de Planificación, Monitoreo y Evaluación UPME).

#### **DOCUMENTOS ADICIONALES:**

- Un acercamiento a la pobreza extrema rural del Perú / Informe de resultados de la Línea de Base Nacional / Noviembre 1996 – Cáritas del Perú (Octubre, 1997).
- Plan de Monitoreo de Ejecución de Proyectos – Cáritas del Perú. (Unidad de Planificación, Monitoreo y Evaluación UPME).
- Programa de Desarrollo Para la Seguridad Alimentaria – PRODESA / Development Project Proposal – Cáritas del Perú.

COOPERANTE: CARITAS  
Subprograma: PROAGRO

### CUADRO RESUMEN

OBJETIVOS <sup>(a)</sup>	INDICADORES <sup>(a)</sup>	METAS PLANIFICADAS <sup>(b)</sup>	METAS MODIFICADAS <sup>(b)</sup>	METAS EJECUTADAS 1997 - 1999 <sup>(b)</sup>
<b>PROPOSITO</b>  Mejorar la disponibilidad de los alimentos de las familias más pobres que viven dentro de los ámbitos de intervención del proyecto	a) Producción agrícola promedio, por familia, de cultivos principales de subsistencia.	En Proceso	No especifica	No especifica
	b) Producción pecuaria por familia (animales vendidos / consumidos por año).	En Proceso	No especifica	No especifica
	c) Promedio de reservas de alimentos disponibles para familias de agricultores (cultivos principales de subsistencia solamente).	En Proceso	No especifica	No especifica
<b>RESULTADOS</b>  1. Familias en extrema pobreza dedicadas a actividades agropecuarias ha mejorado su infraestructura productiva.	a) Número de has. Incorporadas a la producción o mejoradas mediante canales nuevos o rehabilitados, reservorios y/o pozos.	49,322 has.	46638 has.	29,656 has.
	b) Número de kilómetros de canales construidos y/o rehabilitados. <sup>16</sup>	1086.28 Km.	No especifica	865.75 Km
	c) Cantidad de litros de agua por segundo en los canales construidos y/o rehabilitados. <sup>17</sup>	7967.65 litros	No especifica	No especifica
	d) Superficie incorporada a la producción mediante prácticas de conservación de suelos y agroforestería.	20,532 has.	19,175 has.	14,620 has.

(a) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II - Fiscal Year 1998 - CARITAS DEL PERU (Febrero 1999), y del Plan de Monitoreo de Ejecución de Proyectos 2000 - Unidad de Planificación, Monitoreo y Evaluación UPME - CARITAS DEL PERU

(b) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II, Fiscal Year 1998 CARITAS DEL PERU (Febrero 1999), del DAP

Amendment Proposal PL 480 Title II for FY 1999 CARITAS DEL PERU (Agosto 1998), y del Annual Results Report PL 480 Title II- Fiscal Year 1999 CARITAS DEL PERU (Febrero 2000).

<sup>16</sup> Logro de 1998.

<sup>17</sup> Promedio de las Metas de los años de 1997 y 1998 (5,465.3 y 10,470)



OBJETIVOS <sup>(a)</sup>	INDICADORES <sup>(a)</sup>	METAS PLANIFICADAS <sup>(b)</sup>	METAS MODIFICADAS <sup>(b)</sup>	METAS EJECUTADAS 1997 – 1999 <sup>(b)</sup>
2. Familias en extrema pobreza dedicadas a actividades agropecuarias han mejorado su tecnología productiva.	a) Número de has. incorporadas a la producción agrícola mediante el uso de nuevas tecnologías de producción.	1000 has.	1,995 has.	1,370 has.
	b) Ratio: número de productores aplicando X tecnología/ número de productores capacitados o asistidos técnicamente en X tecnología.	No especifica	No especifica	No especifica
	c) Número de organizaciones locales que replican acciones de capacitación y asistencia.	No especifica	No especifica	No especifica
	d) Número de bañaderos.	15 bañaderos	No especifica	6 bañaderos
	e) Número de cabezas (ganado) tratadas al año. <sup>18</sup>	33859 ganados	No especifica	3800 ganados
3. Unidades de producción agropecuaria implementadas y/o mejoradas.	a) Número de unidades de producción agropecuaria implementadas. <sup>19</sup>	1,976 unidades.	No especifica	1261 unidades.
	b) Número de unidades de producción agropecuaria mejoradas.	No especifica	No especifica	No especifica
4. Productores en extrema pobreza han mejorado su acceso a bienes productivos.	a) Tasa de morosidad (monto de préstamos vencidos no pagados/monto total prestado vigente) para periodos vencidos de 60 días.	No especifica	No especifica	No especifica
	b) Tamaño de la cartera (número de prestatarios y monto de dinero de préstamos).	No especifica	No especifica	No especifica

(a) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II – Fiscal Year 1998 – CARITAS DEL PERU (Febrero 1999), y del Plan de Monitoreo de Ejecución de Proyectos 2000 – Unidad de Planificación, Monitoreo y Evaluación UPME – CARITAS DEL PERU

(b) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II, Fiscal Year 1998 CARITAS DEL PERU (Febrero 1999), del DAP Amendment Proposal PL 480 Title II for FY 1999 CARITAS DEL PERU (Agosto 1998), y del Annual Results Report PL 480 Title II- Fiscal Year 1999 CARITAS DEL PERU (Febrero 2000).

<sup>18</sup> Meta y logro de 1998.

<sup>19</sup> Meta de 1998, 1999 y logro de 1998.

#### FUENTES SECUNDARIAS REVISADAS:

- Dap Amendment Proposal / PL 480 Title II / For FY 1999 – Cáritas del Perú (August, 1998)
- Annual Results Report / PL 480 Title II / Fiscal Year 1998 – Cáritas del Perú (February, 1999).
- Dap Amendment Proposal / FY 2000 / PL 480 Title II / Final Version – Cáritas del Perú (May, 1999).
- Annual Results Report / PL 480 Title II / Fiscal Year 1999 – Cáritas del Perú (February, 2000).
- Plan de Monitoreo de Ejecución de Proyectos 2000 – Cáritas del Perú. (Unidad de Planificación, Monitoreo y Evaluación UPME).

#### DOCUMENTOS ADICIONALES:

- Un acercamiento a la pobreza extrema rural del Perú / Informe de resultados de la Línea de Base Nacional / Noviembre 1996 – Cáritas del Perú (Octubre, 1997).
- Plan de Monitoreo de Ejecución de Proyectos – Cáritas del Perú. (Unidad de Planificación, Monitoreo y Evaluación UPME).
- Programa de Desarrollo Para la Seguridad Alimentaria – PRODESA / Development Project Proposal – Cáritas del Perú.

COOPERANTE: CARITAS  
Subprograma: PROGEIN

### CUADRO RESUMEN

OBJETIVOS <sup>(a)</sup>	INDICADORES <sup>(a)</sup>	METAS PLANIFICADAS <sup>(b)</sup>	METAS MODIFICADAS <sup>(b)</sup>	METAS EJECUTADAS 1997 - 1999 <sup>(b)</sup>
<b>PROPOSITO</b>  Mejorar el acceso de los alimentos de las familias más pobres que viven dentro de los ámbitos de intervención del proyecto  1. Unidades de producción agro industrial y manufacturera implementadas.	a) Valor de ventas por unidad productiva apoyada por el programa. <sup>20</sup>	No especifica	No especifica	No especifica
	b) Número de familias participando en unidades productivas apoyadas por el programa. <sup>21</sup>	597 familias	No especifica	876 familias
	a) Número de centros de acopio de productos. <sup>22</sup>	103 centros de acopio	No especifica	86 centros de acopio
	b) Capacidad en TM de los centros de acopio. <sup>23</sup>	70 TM	No especifica	102 TM
	c) Número de instalaciones de almacenamiento de productos. <sup>24</sup>	1,220.3 instalaciones	No especifica	1,263.44 instalaciones
	d) Capacidad en TM de instalaciones de almacenamiento de productos. <sup>25</sup>	37.5 TM	No especifica	46 TM
	e) Número de instalaciones de infraestructura de transformación.	No especifica	No especifica	No especifica

(a) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II - Fiscal Year 1998 - CARITAS DEL PERU (Febrero 1999), y del Plan de Monitoreo de Ejecución de Proyectos 2000 - Unidad de Planificación, Monitoreo y Evaluación UPME - CARITAS DEL PERU

(b) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II, Fiscal Year 1998 CARITAS DEL PERU (Febrero 1999), del DAP

Amendment Proposal PL 480 Title II for FY 1999 CARITAS DEL PERU (Agosto 1998), y del Annual Results Report PL 480 Title II- Fiscal Year 1999 CARITAS DEL PERU (Febrero 2000).

<sup>20</sup> Este indicador aún no ha sido recogido dado que la mayor parte de experiencias de unidades apoyadas ligadas al mercado son de experiencia muy reciente. Esto debido a que recién se inició su apoyo con el cambio de estrategia hacia monetización. (Plan de Monitoreo de Ejecución de Proyectos 2000)

<sup>21</sup> Meta de 1999 y logro de 1998

<sup>22</sup> Meta y logro de 1998.

<sup>23</sup> Metas de 1998 (128) y 1999 (12) y logro de 1998.

<sup>24</sup> Meta y logro 1998.

<sup>25</sup> Meta de 1998 (54) y 1999 (21) y logro de 1998.

OBJETIVOS <sup>(a)</sup>	INDICADORES <sup>(a)</sup>	METAS PLANIFICADAS <sup>(b)</sup>	METAS MODIFICADAS <sup>(b)</sup>	METAS EJECUTADAS 1997 – 1999 <sup>(b)</sup>
	f) Volumen producido en unidades de transformación TM.	No especifica	No especifica	No especifica
	g) Familias utilizando infraestructuras construidas. <sup>26</sup>	2,953 familias	No especifica	544 familias
2. Canales de comercialización establecidos.	a) Caminos de accesos rehabilitados (carrozales). <sup>27</sup>	2,644 Km.	3,745 Km.	2,693 Km.
	b) Dólares vendidos por cada dólar invertido.	No especifica	No especifica	No especifica
	c) Porcentaje de aumento de los volúmenes de comercialización y valor de los granos o productos más importantes.	No especifica	No especifica	No especifica

#### FUENTES SECUNDARIAS REVISADAS:

- Dap Amendment Proposal / PL 480 Title II / For FY 1999 – Cáritas del Perú (August, 1998)
- Annual Results Report / PL 480 Title II / Fiscal Year 1998 – Cáritas del Perú (February, 1999).
- Dap Amendment Proposal / FY 2000 / PL 480 Title II / Final Version – Cáritas del Perú (May, 1999).
- Annual Results Report / PL 480 Title II / Fiscal Year 1999 – Cáritas del Perú (February, 2000).
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#### DOCUMENTOS ADICIONALES:

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- Plan de Monitoreo de Ejecución de Proyectos – Cáritas del Perú. (Unidad de Planificación, Monitoreo y Evaluación UPME).
- Programa de Desarrollo Para la Seguridad Alimentaria – PRODESA / Development Project Proposal – Cáritas del Perú.

(a) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II – Fiscal Year 1998 – CARITAS DEL PERU (Febrero 1999), y del Plan de Monitoreo de Ejecución de Proyectos 2000 – Unidad de Planificación, Monitoreo y Evaluación UPME – CARITAS DEL PERU

(b) La información recogida proviene de los siguientes documentos: Annual Results Report PL 480 Title II, Fiscal Year 1998 CARITAS DEL PERU (Febrero 1999), del DAP

Amendment Proposal PL 480 Title II for FY 1999 CARITAS DEL PERU (Agosto 1998), y del Annual Results Report PL 480 Title II- Fiscal Year 1999 CARITAS DEL PERU (Febrero 2000).

<sup>26</sup> Meta y logro de 1998.

<sup>27</sup> Metas de 1997 (1,783) y 1998 (861)

## METODOLOGÍA UTILIZADA EN LA ELABORACIÓN DE LOS CUADROS RESUMENES

Para la elaboración de los cuadros resumen de los siguientes proyectos:

Entidad Ejecutora	Programa	Subprograma	Tema o Línea del proyecto
PRISMA		PANFAR	Nutrición Infantil
		KUSIAYLLU	Nutrición Infantil
		PASA	Microcrédito
		CEAT	Agricultura
ADRA		GENERACIÓN DE INGRESOS AGROPECUARIOS	Agricultura
		NUTRICIÓN INFANTIL	Nutrición Infantil
CARE	PSAS. Programa de Seguridad Alimentaria Sostenible	ALTURA	Agricultura
		SEDER	Microcrédito
		NIÑOS	Nutrición
		FOGEL	
CARITAS	PRODESA. Programa de Desarrollo de la Seguridad Alimentaria	WIÑAY	Nutrición Niños
		PROAGRO	Implementación para la agricultura.
		PROGEIN	Accesos a alimentos agrícolas.

Se siguieron los siguientes pasos:

1. **Revisión de los documentos** proporcionados para la realización de los cuadros, los cuales comprendían Líneas Basales, Sistemas de Monitoreo, Informe Anuales de Monitoreo, Adecuaciones a los proyectos, etc. Documentos tanto en inglés como en español.
2. **Selección de información**, la cual se realizó bajo los siguientes criterios:
  - a) Actualización: se revisaron todos los documentos, pero para la realización de los cuadros, en relación a los objetivos, metas e indicadores, se actualizaron tomándose en cuenta los documentos más recientes.
  - b) Pertinencia: revisándose en primera instancia aquellos documentos que proporcionen la información básica requerida, pero no sin dejar de lado la revisión de los documentos adicionales.
3. **Elaboración de Cuadros Resumen**: Cada cuadro incluye los objetivos o "jerarquía de objetivos" de los Marcos Lógicos de cada subprograma llegando al nivel de resultados. Estos objetivos han sido copiados de los Marcos Lógicos originales de los convenios. Sin embargo, para los casos en que se realizó modificaciones posteriores se han actualizado, los mismos que se contemplan en documentos posteriores (último Marco Lógico 1999).

Igual caso, ocurre con la identificación de los "Indicadores".

Para el caso de las "Metas Planificadas" se consideró el documento original del convenio.

Las "Metas Ejecutadas" han sido consideradas sumando los años 1996, 1997, 1998 y 1999 que se muestran en los reportes de monitoreo de las contrapartes.

En los casilleros en los cuales no se presenta información cuantitativa de las metas, se debe a que no se cuenta con el dato en los documentos revisados.

**COOPERANTE: PRISMA**  
**Subprograma: PANFAR**

**CUADRO RESUMEN**

OBJETIVOS <sup>1</sup>	INDICADORES <sup>1</sup>	METAS PLANIFICADAS <sup>2</sup>				METAS MODIFICADAS <sup>2</sup>				METAS EJECUTADAS <sup>2</sup> 1996 - 1999			
		1996	1997	1998	1999	1996	1997	1998	1999	1996	1997	1998	1999
<b>PROPOSITO</b>													
Mejorar el estado nutricional y de salud de las madres en condiciones de riesgo y de niños de menos de 5 años.	Disminución de la prevalencia del peso/edad entre los beneficiarios de 24 a 36 meses de edad al 5% por año	62%	59%	56 %	53 %	No se especifica				62 %	59%	56%	52%
<b>RESULTADOS</b>	Los beneficiarios son seleccionados utilizando criterios de alto riesgo.	No se especifica		87%	88%	No se especifica		87%	95%	80%	84%	97%	96%
1. Se identifican familias de alto riesgo y se integran en el sistema de salud	La proporción de la graduación de familia de los beneficiarios aumentó 5% por año (A1)	471,223 familias graduadas				471,223 familias graduadas				461,884 familias graduadas			
	La proporción de desnutrición aguda entre los ex beneficiarios de PANFAR	No se especifica			15%	No se especifica				No se especifica		12%	
2. Los beneficiarios se capacitan en nutrición y salud básica de madre-niño.	Niños de entre 0-6 meses reciben lactancia exclusiva.	No se especifica		55.6%	59.8	No se especifica				50%	N/A	53.25%	67%
	Número de beneficiarios que alimentan a sus niños de más de 6 meses de edad con por lo menos 2 comidas sólidas por día.	No se especifica		38.2%	43%	No se especifica				33.76	N/A	46%	44%
3. Las familias de alto riesgo tienen acceso a la ración de comida del PANFAR.	Se dan al 75% de familias 12.5 kilos de comida durante 6 meses sucesivos.	75%	N.E	85%	85%	75 %	N.E	85%	90%	92 %	83%	85%	90%
4. El programa se transfiere a su contraparte el Ministerio de salud.	UTES/UBASS/Redes desarrollan Planes Trimestral Operacionales basados en la evaluación de los resultados.	No se especifica		30%	80%	No se especifica				No se especifica		70%	
	Se incrementa la contribución en alimentos por parte de las contrapartes.	No se especifica			25%	No se especifica				No se especifica		36%	

- 1 La información recogida proviene de los siguientes documentos: PL 480 Title II - FY 1996 Results Report (Febrero 1997) PRISMA, del PAA 1999 Title II PL 480 Program PROFASA(abril 1998), y del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSSIAYLLU Y CEAT.
- 2 La información recogida proviene de los siguientes documentos: PAA 1999 Title II PL 480 Program PROFASA(abril 1998), del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSSIAYLLU Y CEAT, y del DAP Amendment FY 2000-2001 AB PRISMA (may 1999)

**FUENTES SECUNDARIAS REVISADAS:**

- FY 96 TITLE II Results Report / Programa Focalizado de Seguridad Alimentaria – PROFASA - PRISMA
- PAS 1999 / TITLE II PL. 480 PROGRAM PROFASA – PRISMA
- DAP Amendment FY 2000 – 2001- PRISMA (May, 1999)
- PROFASA FY 99 / Results Report / PANFAR / KUSIAYLLU / PASA / CEAT – PRISMA (Marzo, 2000)

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**COOPERANTE: PRISMA**  
**Subprograma: KUSIAYLLU**

**CUADRO RESUMEN**

OBJETIVOS <sup>a</sup>	INDICADORES <sup>a</sup>	METAS PLANIFICADAS <sup>b</sup>				METAS MODIFICADAS <sup>b</sup>				METAS EJECUTADAS <sup>b</sup> 1996 – 1999			
		1996	1997	1998	1999	1996	1997	1998	1999	1996	1997	1998	1999
<b>PROPOSITO</b>													
Mejorar el estado nutricional y de salud de los niños menores de tres años de edad en sitios de Kusiayllu (3900 niños cada 6 meses).	El predominio de desnutrición crónica en niños 24 a 36 disminuciones de los meses un promedio de 5% cada año en comunidades de Kusiayllu. (Impacto 1).	N.E	N.E	5%	5%	N.E.	N.E	N.E	N.E	Depende de la localidad	5%	3.325% <sup>d</sup>	53.6 %
<b>RESULTADOS</b>													
1. El sistema de vigilancia nutricional llevó a cabo con promotores de salud voluntarios.	Las rondas de vigilancia y seguridad alimentaria por zona con niños menores de 36 meses	12 rondas				12 rondas				12 rondas			
	Niños < 36 meses bajo vigilancia.	122,316 niños				123,316 niños				137,221 niños			
2. Niños con desnutrición aguda menores a 3 años rehabilitados	% de niños con desnutrición aguda son rehabilitados en el 6to. Periodo.	N.E	N.E	67%	68%	N.E	N.E	67%	69%	55%	65%	68%	71%
	Niños desnutridos < 36 meses que muestran ganancias de por lo menos una SD peso / edad durante un semestre <sup>1</sup>	N.E.	N.E	34%	35%	N.E	N.E	34%	24%	22.4%	33%	23%	22%
	Incremento en el promedio de prevalencia en el peso / edad Z-entre los niños beneficiarios < 36 meses en el programa. <sup>2</sup>	N.E	N.E	.53	.55	N.E	N.E	.53	.50	.461	.51	.49	.50

<sup>a</sup> La información recogida proviene de los siguientes documentos: PL 480 Title II – FY 1996 Results Report (Febrero 1997) PRISMA, del PAA 1999 Title II PL 480 Program PROFASA(abril 1998), y del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSIAYLLU Y CEAT.

<sup>b</sup> La información recogida proviene de los siguientes documentos: PAA 1999 Title II PL 480 Program PROFASA(abril 1998), del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSIAYLLU Y CEAT, y del DAP Amendment FY 2000-2001 AB PRISMA (may 1999)

<sup>d</sup> Prevalence of Chronic Malnutrition External Monitoring 1999 en tres comunidades, AMBO 59%, CAJAB. 63%, Ayavi39%.

<sup>1</sup> Nosotros no esperamos poder aumentar este indicador mucho más, dado la dificultad mostrando una mejora de una desviación normal entera en talla-peso-edad por encima de un periodo relativamente corto de tiempo (6 meses) entre niños con desnutrición aguda que tienen que ponerse al día primero en su peso para altura.

<sup>2</sup> El indicador sólo midió en población total a los sitios del centinela.



OBJETIVOS <sup>a</sup>	INDICADORES <sup>a</sup>	METAS PLANIFICADAS <sup>b</sup>				METAS MODIFICADAS <sup>b</sup>				METAS EJECUTADAS <sup>b</sup> 1996 - 1999			
		1996	1997	1998	1999	1996	1997	1998	1999	1996	1997	1998	1999
3. Mejora en el conocimiento sobre prácticas adecuadas sobre salud y nutrición mujeres embarazadas y madres de niños menores de tres años de edad en comunidades de Kusiayllu.	% de todos los niños menores de 6 meses que reciben lactancia exclusiva.	N.E	N.E	55.6%	60.8%	N.E	N.E	55.6%	56.7%	40%	N/A	53%	67%
	% de incremento de madres que alimentan a sus niños mayores de meses con cinco comidas diarias	N.E	N.E	38.8%	44%	N.E	N.E	N.E	51.75%	33.8%	46%	N.E	40%
4. Los beneficiarios graduados y promotores asociados a organizaciones comunitarias	Porcentaje de asociaciones de madres beneficiaras	N.E	N.E	25%	40%	N.E	N.E	25%	40%	N.E	N.E	24%	20%
	Porcentaje de asociaciones de promotores en áreas del programa PASA	N.E	N.E	30%	50%	N.E	N.E	N.E	N.E	N.E	N.E	38%	58%
5. La repetición de metodología de Kusiayllu a las MOH y comunidades	Número de sitios donde MOH y las comunidades replican la metodología de Kusiayllu.	6 unidades (1998 y 1999)				5 unidades (1998 y 1999)				9 unidades			
	Número de establecimiento de Salud que adopta metodología de Kusiayllu.	300 unidades (1998 y 1999)				16 unidades (1999)				96 unidades			

<sup>a</sup> La información recogida proviene de los siguientes documentos: PL 480 Title II - FY 1996 Results Report (Febrero 1997) PRISMA, del PAA 1999 Title II PL 480 Program PROFASA(abril 1998), y del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSSIAYLLU Y CEAT.

<sup>b</sup> La información recogida proviene de los siguientes documentos: PAA 1999 Title II PL 480 Program PROFASA(abril 1998), del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSSIAYLLU Y CEAT, y del DAP Amendment FY 2000-2001 AB PRISMA (may 1999)

#### FUENTES SECUNDARIAS REVISADAS:

- FY 96 TITLE II Results Report / Programa Focalizado de Seguridad Alimentaria - PROFASA - PRISMA
- PAS 1999 / TITLE II PL. 480 PROGRAM PROFASA - PRISMA
- DAP Amendment FY 2000 - 2001- PRISMA (May, 1999)
- PROFASA FY 99 / Results Report / PANFAR / KUSIAYLLU / PASA / CEAT - PRISMA (Marzo, 2000)

**COOPERANTE: PRISMA**  
**Subprograma: PASA**

**CUADRO RESUMEN**

OBJETIVOS <sup>a</sup>	INDICADORES <sup>a</sup>	METAS PLANIFICADAS <sup>b</sup>				METAS MODIFICADAS <sup>c</sup>				METAS EJECUTADAS <sup>b</sup> 1996 - 1999				
		1996	1997	1998	1999	1996	1997	1998	1999	1996	1997	1998	1999	Total
<b>PROPOSITO</b>														
Incremento de los ingresos de las familias en alto riesgos de las áreas rurales más pobres del Perú.	a) Porcentaje de incremento de los ingresos de las familias participantes	0	0	20%	20%	0	N.E.	0 <sup>c</sup>	20%	N.E.	N.E.	N.E.	N/D	N.P.
<b>RESULTADOS</b>														
1. Servicios que promueven microcrédito sostenido.	a) Número de zonas que operan sosteniblemente.	0				Sin modificaciones				0	0	0	2 zonas	2 zonas
	b) Porcentaje de tasa de morosidad (90 días)	5%	5%	4%	3%	Sin modificaciones				3.6%	12.54%	1.89%	9.54%	No Ponderable
	c) El valor del fondo de crédito en US\$ (préstamos al final del año fiscal)	202,656	602,000	546,825	1'245,950	N.E.	N.E.	772,525 <sup>c</sup>	1'753,388 <sup>c</sup>	238,656	343,299	819,119	1'260,339	US\$ 2'661,443
2. Mejora de las capacidades de gestión de la comunidades en el manejo de servicios de microcrédito a través de la creación de bancos comunitarios	a) Número de bancos comunitarios (ACPDs) con créditos de la Unidad de Crédito de PRISMA.	0	24	125	231	N.E.	N.E.	161 <sup>c</sup>	644 <sup>c</sup>	0	31	308	556	895 bancos comunitarios
	b) Número de grupos solidarios miembros de las ACPD	0	150	625	1,134	N.E.	N.E.	751 <sup>c</sup>	2,555 <sup>c</sup>	0	193	1,221	2,168	3,582 grupos solidarios
3. Prestatarios con oportunidades para realizar actividades productivas.	a) Número de prestatarios que reciben crédito.	877	1,200	3,126	5,670	N.E.	N.E.	4,204 <sup>c</sup>	12,988 <sup>c</sup>	1,714	1,929	6,207	10,853	20,703 prestatarios
	b) Número de mujeres que reciben crédito	602	900	2,031	3,402	N.E.	N.E.	2,448 <sup>c</sup>	7,242 <sup>c</sup>	668	1,069	3,461	4,949	10,147 mujeres

<sup>a</sup> La información recogida proviene de los siguientes documentos: PL 480 Title II - FY 1996 Results Report (Febrero 1997) PRISMA, del PAA 1999 Title II PL 480 Program PROFASA(abril 1998), y del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSSIAYLLU Y CEAT.

<sup>b</sup> La información recogida proviene de los siguientes documentos: PAA 1999 Title II PL 480 Program PROFASA(abril 1998), del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSSIAYLLU Y CEAT, y del DAP Amendment FY 2000-2001 AB PRISMA (may 1999).

<sup>c</sup> PROSAFA FY 1999 Results Report PANFAR, PASA, KUSSIAYLLU Y CEAT p. 19 y DAP Amendment FY 2000-2001 AB PRISMA (may 1999). p. 84

FUENTES SECUNDARIAS REVISADAS:

- FY 96 TITLE II Results Report / Programa Focalizado de Seguridad Alimentaria – PROFASA - PRISMA
- PAS 1999 / TITLE II PL. 480 PROGRAM PROFASA – PRISMA
- DAP Amendment FY 2000 – 2001- PRISMA (May, 1999)
- PROFASA FY 99 / Results Report / PANFAR / KUSIAYLLU / PASA / CEAT – PRISMA (Marzo, 2000)

N.P. : No ponderable.

N.E. : No especifica.

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COOPERANTE: PRISMA  
Subprograma: CEAT

### CUADRO RESUMEN

OBJETIVOS	INDICADORES	METAS PLANIFICADAS	METAS MODIFICADAS	METAS EJECUTADAS 1996 – 1999
<b>PROPOSITO</b> Incremento de los ingresos de las familias en alto riesgos de las áreas rurales más pobres del Perú.	a) Beneficiarios directos con ingresos elevados a por lo menos el salario mínimo oficial	No se especifica	Sin modificaciones	No se especifica
<b>RESULTADOS</b> 1. Incremento en la producción agrícola	a) Asistencia técnica para agricultores en zonas rurales de riesgo.	4,502 agricultores con asistencia técnica	Sin modificaciones	6,617 agricultores
	b) Hectáreas cultivadas.	3,309 has	Sin modificaciones	3,761 has
	c) La producción agrícola por TM	5,281 TM	Sin modificaciones	7680 TM
2. Mercado aumentado para las cosechas del andean.	a) Comercializando de producción agrícola (TM) de los agricultores rurales participantes en el programa.	1827 TM	Sin modificaciones	2,363 TM
	b) Valor del dólar para comercializar la producción	0	0	US\$ 141,096.41 (Valor de TM vendidas durante 1999)

#### FUENTES SECUNDARIAS REVISADAS:

- FY 96 TITLE II Results Report / Programa Focalizado de Seguridad Alimentaria – PROFASA - PRISMA
- PAS 1999 / TITLE II PL. 480 PROGRAM PROFASA – PRISMA
- DAP Amendment FY 2000 – 2001- PRISMA (May, 1999)
- PROFASA FY 99 / Results Report / PANFAR / KUSIAYLLU / PASA / CEAT – PRISMA (Marzo, 2000)

<sup>a</sup> La información recogida proviene de los siguientes documentos: PL 480 Title II – FY 1996 Results Report (Febrero 1997) PRISMA, del PAA 1999 Title II PL 480 Program PROFASA(abril 1998), y del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSIAYLLU Y CEAT.

<sup>b</sup> La información recogida proviene de los siguientes documentos: PAA 1999 Title II PL 480 Program PROFASA(abril 1998), del PROSAFA FY 1999 Results Report PANFAR, PASA, KUSIAYLLU Y CEAT, y del DAP Amendment FY 2000-2001 AB PRISMA (may 1999)

## ***ANNEX II***

### **Evaluation of Monitoring and Evaluation of Four Cooperating Sponsors**

## Anexo II

### INFORME PROYECTO PL 480 – TITULO II DE SEGURIDAD ALIMENTARIA

#### Introducción

El documento forma parte del Informe Final del proceso de evaluación realizado al proyecto PL-480 del Título II de Seguridad Alimentaria financiado por USAID y que se ha ejecutado a través de cuatro contrapartes: ADRA, CARE, CARITAS PERU y PRISMA.

Hemos ordenado el contenido de la siguiente manera. En primer lugar, se incluyen los objetivos que orientan este trabajo, los cuales se explican en las siguientes secciones. En segundo lugar, se señalan las apreciaciones y comentarios sobre el acceso a información suficiente de cada uno de los subprogramas y que ha servido para el análisis sectorial de los mismos.

Finalmente, se presentan los hallazgos identificados a través del trabajo de campo y la revisión de fuentes secundarias sobre los sistemas de monitoreo y evaluación que las contrapartes implementan en sus programas, los mismos que han sido analizados en tres aspectos fundamentalmente: a) diseño y organización, b) implementación de los sistemas y c) uso de la información.

#### Objetivos

Los objetivos que orientan el presente informe intentan analizar el acceso y tipo de información secundaria provista por las contrapartes y que ha sido utilizada como parte del insumo requerido en este proceso, así como evaluar los sistemas de monitoreo y evaluación que las contrapartes implementan para el control y sistematización del avance o logro de las metas y resultados que éstas han conseguido con la ejecución de sus actividades.

En ese sentido presentamos los siguientes objetivos:

- Conocer si la información disponible ha sido la adecuada, suficiente y necesaria para demostrar el impacto logrado en seguridad alimentaria, de acuerdo a las variables e indicadores diseñados para cada subprograma.
- Analizar los sistemas de monitoreo y evaluación diseñados por cada una de las contrapartes para la ejecución de los subprogramas del PL-480.

A partir de estos objetivos, el informe presentará dos secciones relacionadas a cada uno de ellos.

## **I. PARTE**

### **2.1.2 Disponibilidad e información suficiente de los Programas del proyecto PL-480**

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La información entregada por las Agencias del proyecto PL 480 fue revisada exhaustivamente<sup>1</sup>. Respeto a las fuentes revisadas encontramos los siguientes puntos que están referidos al acceso de información:

#### **Convenios originales**

La mayoría de las Agencias entregaron los convenios originales en los cuales se presentaban los marcos lógicos que inicialmente fueron aprobados, así como, el presupuesto planificado para la ejecución del proyecto por parte de las Agencias para el período 1996-2000 y en algunos casos al 2001.

#### **Reportes Anuales**

Existe una disparidad en la estructura y estandarización de dichos reportes, esto dificultó ubicar información sobre los indicadores, las metas, los resultados y fundamentalmente la información presupuestaria, en la cual no se evidenció una desagregación común entre las Agencias lo cual limitó los análisis comparativos entre los Programas Sectoriales e incluso a nivel interno para cada una de ellas.

Los reportes anuales del año 1996 fueron considerados como línea basal para cada Subprograma ejecutado.

Adicionalmente, algunas Agencias presentaron para sus Programas información sobre metas ejecutadas que en documentos posteriores eran distintas, lo que lleva a una confusión pues al existir una misma meta con resultados diferentes para un mismo año, no se podía establecer cual era el dato válido.

#### **Documentos de Línea Base**

Una limitación para establecer la relación entre los indicadores definidos y la información necesaria para medirlos, está relacionada a que en la mayoría de los estudios de Línea de Base no se incluye los instrumentos de recolección de información.

Adicionalmente, podemos mencionar que el análisis e interpretación de los resultados del procesamiento de los datos recolectados son para algunos casos cualitativos, y se presentan con un nivel primario, lo que dificulta establecer parámetros cuantitativos para una medición del impacto y efecto logrado por el proyecto a mediano y largo plazo.

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<sup>1</sup> Nuestra revisión se basó fundamentalmente en los siguientes tipos de documentos:

- Convenios originales del proyecto por cada contraparte
- Reportes Anuales del periodo 1997-1999 por cada contraparte
- Reportes de Planificación del período 2000-20001 por cada contraparte
- Documentos de Línea de Base período 1995-1996 por cada contraparte
- Documentos de los Sistemas de Monitoreo y Evaluación por cada contraparte
- Addendas realizadas a los convenios originales

Otro aspecto está referido a los criterios empleados para el diseño de las muestras que se utilizaron para la elaboración de sus líneas de base, los cuales no se señalan en los respectivos documentos.

### **Marcos Lógicos de los Programas**

Los Programas cuentan con Marcos Lógicos iniciales los mismos que han sufrido modificaciones básicamente en relación a las metas e indicadores. Estos cambios no se evidenciaron necesariamente en un documento amendment, salvo un caso, sino fueron encontrados a partir de la revisión de los reportes anuales de los logros de metas obtenidos por cada contraparte.

En dichos documentos los indicadores del marco lógico inicial fueron fundamentalmente desagregados con mayor precisión y de acuerdo a la necesidad de contar con unidades de medidas más específicas que permitiesen conocer el logro o avance de los objetivos planteados.

### **Información presupuestal**

Existe información presupuestal a nivel de SubProgramas, tal como se evidenció cuando nos ha sido proporcionada por las Agencias para el análisis costo efectividad. Sin embargo, esta no es presentada de manera estructurada y estandarizada por partidas específicas a nivel de SubProgramas, de tal manera que permita obtener información homogénea para agregar o acumular la información en Subprogramas similares (Ejemplo por Sectores: Agrícola, Salud y otros), de tal modo que permitiría un mejor análisis de aspectos cuantitativos.

La información respecto a los gastos administrativos se reporta de manera global y no de manera específica para la gestión de cada Programa, lo que limitó el análisis y revisión de los costos en relación a la ejecución de las actividades (costo-efectividad).

### **Documentos de los Sistemas de Monitoreo y Evaluación de las contrapartes**

La mayoría de las Agencias presentan un documento sistematizado sobre sus sistemas de monitoreo y evaluación implementados para el seguimiento y control de los Programas ejecutados.

Estos muestran una articulación con los marcos lógicos de los Programas y facilitan la identificación de las modificaciones realizadas a los mismos. Asimismo, algunos de ellos presentaron los formatos de recolección de información, así como los formatos de los diferentes reportes que el sistema puede emitir.

Si bien se incluyen algunos de estos formatos anteriormente mencionados, éstos no están claramente diferenciados por subprogramas y desde nuestro punto vista consideramos que los documentos revisados no evidencian si éstos formatos son suficientes y necesarios para conocer con precisión el avance de proyectos complejos que incorporan diferentes componentes para su ejecución y medición de logros.



## II. PARTE

### 2.1.3 Sistemas de Información y Monitoreo

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A continuación se presenta los hallazgos identificados a través del trabajo de campo y la revisión de fuentes secundarias sobre los sistemas de monitoreo y evaluación que las Agencias implementan en sus Sub Programas, los mismos que han sido analizados en tres aspectos fundamentalmente: a) diseño y organización, b) implementación de los sistemas y c) uso de la información.

En el marco de este acápite es de resaltar el esfuerzo realizado por el staff de cada Sub Programa para establecer un sistema mecanizado en la recopilación de información.

#### A. Diseño y organización

Los sistemas de Monitoreo y Evaluación puestos en ejecución por las contrapartes del proyecto PL-480 facilitan información que permite mejorar las capacidades de gestión en sus diferentes niveles a partir de las cuales se realizan los ajustes pertinentes en la ejecución de sus actividades.

Sin embargo, en la práctica, puede mencionarse que la función de monitoreo y evaluación está **entendida sólo como recolección de información**, hecho que si bien es entendido por los SubProgramas, estos tendrán que poner mayor atención para incorporar las funciones inherentes al seguimiento y evaluación de las actividades. Entre otras, las funciones de medir el avance que se va logrando, determinar las dificultades que van surgiendo y sugerir las medidas correctivas.

#### Diseño

Estos sistemas han sido diseñados contemplando principalmente el marco lógico de cada uno de los SubProgramas, tal como se ha podido apreciar en algunos software implementados.

El diseño y organización de los contenidos de los sistemas de monitoreo respetan la jerarquía de objetivos de los marcos lógicos los mismos que están articulados a los indicadores respectivos al monitoreo y diferenciados de los de evaluación. Adicionalmente, presentan una agrupación de los indicadores por las líneas de acción definidas en los SubProgramas. Respecto a los indicadores es de resaltar que de las visitas a las sedes regionales y en algunos casos de las sedes centrales, se menciona la necesidad de redefinir o continuar en la tarea de selección de los indicadores que muestren resultados finales de los Subprogramas y que a la vez, ayuden a la gestión de los mismos.

#### Información

En algunos de los sistemas observados se registra información financiera relacionada con las actividades y metas, lo cual permitiría conocer no sólo el avance programático de los subprogramas sino también la ejecución presupuestaria y monetización de los mismos. Sin embargo, cuando se pretendió elaborar información básica para el acápite de costo-efectividad se presentó dificultades para obtener información coherente de los Costos Administrativos dado que las estructuras presupuestarias no son homogéneas.

Asimismo, los sistemas facilitan información desagregada por departamento, provincia, distritos y Centros Poblados, permitiendo la obtención de información consolidada a partir de un análisis global.

### **Responsables y unidades de medición**

Un aspecto importante a clarificar mejor es el referido a la definición de responsables de fuentes de información, así como, de las unidades de medidas, en el sentido de homogenizar los conceptos, para cada una de las actividades a monitorear, tanto a nivel regional como a nivel central.

### **Software**

Para algunos Programas se han diseñado software específicos de monitoreo y evaluación, unos más desarrollados que otros evidenciándose esto en la inclusión de indicadores principales que podrían ser desagregados en indicadores más específicos que son necesarios para conseguir información que permitirá monitorear sus actividades y evaluar sus objetivos (resultados, propósito e impacto).

### **Recopilación**

El registro y recopilación de datos necesarios para el funcionamiento de los sistemas de monitoreo y evaluación operacionalizado en diversos formatos apuntan a brindar la información requerida por dichos sistemas, lo cual permite la elaboración de informes de avance o progreso. Sin embargo, en algunos casos se observó la necesidad de que los formatos mecanizados con información parcial lleguen también a los promotores que en muchos casos son los que recolectan la información.

### **Estudios de Líneas de Base**

Sobre los Estudios de Línea de Base podemos mencionar que sólo en algunos casos los sistemas de monitoreo y evaluación retoman los indicadores definidos en éstas. Sobre este aspecto cabe indicar que los Estudios de Base responden más a diagnósticos que ha concentrarse a establecer los puntos de partida de los indicadores seleccionados para el seguimiento por cada Sub Programa.

En algunos casos se plantea que luego de un Estudio Basal en 1996, la idea es regresar después de 5 años y desarrollar el mismo.

Mientras que por otro lado se plantea el desarrollo de Estudios de Líneas de Base que tengan por objetivo específico medir el status de los indicadores seleccionados para su seguimiento en la ejecución de los SubProgramas. Aún más, reconocen la utilidad de seguir los indicadores calculados en la Línea de Base para corregir o afianzar las prácticas aplicadas.

### **Personal**

Otro aspecto importante es el referido a la forma como los Sub Programas organizan sus recursos humanos para el funcionamiento de su sistema de monitoreo y evaluación. Todas las Agencias tienen un área o un responsable de monitoreo y evaluación que controla el desarrollo de esta actividad (en términos de recolección de información) en todas las regiones en las cuales se implementa el proyecto. Para el caso de las regiones se encuentran dos modalidades para llevar adelante esta actividad: 1) se designa un responsable de monitoreo y evaluación para cada región, o 2) se le agrega dicha responsabilidad a los profesionales o técnicos encargados de la ejecución del proyecto.

### **Enfoque**

Es importante mencionar que algunas agencias reconocen el beneficio de organizar una unidad de Monitoreo y Evaluación externa a la unidad ejecución del Subprograma o Proyecto, tal como en algunos casos se tiene planteado. La función de Monitoreo y Evaluación en muchos casos es asumida por los mismos ejecutores de los Subprogramas, aún con el nombre de Supervisores, estos en la práctica tienen la responsabilidad de la ejecución de las actividades.

Los reportes de los sistemas de Monitoreo y Evaluación otorgan énfasis a indicadores de procesos, de tal manera que se presenta un amplio número de los mismos. Parte del personal de las Unidades reconoce que esto es excesivo y los desarrolla de oficio.

Un aspecto a resaltar es el hecho que ya algunas Agencias plantean realizar un Monitoreo y Evaluación con enfoque de resultados finales.

En otros términos, desarrollar el **monitoreo como instrumento de gestión**, tratando de que el proceso de monitoreo (seguimiento) se convierta en un instrumento de la gestión mediante una acertada elección de indicadores. Los mismos que se basarán en **variables cuantificables y de resultados finales**, no sobre variables de procesos, como por ejemplo cursos impartidos, número de agricultores capacitados u otros similares.

### **B. Implementación de los Sistemas Monitoreo y Evaluación**

Los sistemas de monitoreo y evaluación presentan un flujograma para su implementación y sobre los cuales podríamos mencionar las siguientes hallazgos:

- **El tiempo dedicado al Monitoreo y Evaluación.** Las tareas y exigencias planteadas a los sistemas han llevado a que el personal de las diferentes SubProgramas dediquen entre el 15 y 30% del tiempo de sus labores. En algunos casos, la complejidad de los informes ha provocado una dedicación administrativa significativa frente a las labores de campo.

- **El recojo de información** se realiza en base a diversos formatos diseñados a partir de los indicadores y actividades propuestos para cada subprograma.

Para esta etapa los profesionales o técnicos de campo tienen la responsabilidad de supervisar a promotores de base que pertenecen a la población y que han sido capacitados por las agencias para apoyar en el proceso de recolección de información y en la ejecución de actividades del proyecto. Cabe indicar que en las visitas de campo realizadas se pudo observar un buen manejo de los formatos por parte de los promotores, no obstante, en algunos pocos casos la identificación variables todavía es débil.

Un aspecto importante es el referido a la confiabilidad de la información recopilada para los sistemas de monitoreo y evaluación, los mismos que para el caso de las visitas realizadas, muestran ser datos reales y válidos sobre las actividades y metas ejecutadas, sin embargo, no podemos afirmar que dicha información recogida sea la suficiente y necesaria para un conocimiento de los logros y avances obtenidos por los subprogramas<sup>2</sup>.

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<sup>2</sup> Mayor información sobre este aspecto ver los informes sectoriales de la evaluación.

Las fuentes de información definidas en los sistemas de monitoreo y evaluación involucran a la población beneficiaria directa de los subprogramas además de la información recogida con la ejecución de las actividades por profesionales y técnicos del equipo ejecutor. Asimismo, dichas fuentes de información no presentan mayores dificultades para el levantamiento de los datos necesarios. Cabe agregar, que los formatos, tanto de entrega de alimentos como de asistencia a las reuniones llevados por los promotores, podrían ser informatizados, de tal manera que no se vuelva una rutina tediosa para los promotores.

- El procesamiento de la información se establece en dos niveles. El primero está relacionado a un procesamiento y análisis básico realizado en las sedes regionales o departamentales, y el segundo nivel referido a un análisis de la información obtenida en provincias para cada subprograma el cual se consolida en las sedes centrales (Lima).

Adicionalmente, la utilización de software diseñados específicamente por cada Agencia para el monitoreo y evaluación de los subprogramas de la PL-480 facilitan el procesamiento y análisis de los datos recopilados y permiten la obtención de diversos tipos de reportes.

Para la etapa del procesamiento de la información, la verificación de la misma es responsabilidad de los profesionales involucrados en el proceso de recolección. En ese sentido, la confiabilidad de la información no recae exclusivamente en la sede central, sino que ésta es principalmente responsabilidad de las sedes regionales que envían la información a Lima. Para garantizar esta confiabilidad de la información las mismas sedes centrales organizan pequeñas misiones de supervisión que permitan verificar la información enviada por las sedes regionales. La supervisión es una función inherente a los SubProgramas y en consecuencia, no existiría independencia en la verificación de la información.

Asimismo, encontramos para esta etapa en algunos casos las sedes regionales inicialmente procesan la información en los software especialmente diseñados para los Subprogramas, o en otros casos, utilizan hojas de cálculo. La información enviada con este primer nivel de procesamiento por todas las sedes regionales a las sedes centrales son analizadas e interpretadas a nivel nacional por los responsables de monitoreo y evaluación de las contrapartes y utilizadas para la elaboración de informes remitidos a USAID.

Es necesario destacar los esfuerzos de algunas contrapartes por haber desarrollado software que implica un proceso de aprendizaje y validación de propuestas para mejorar el análisis e interpretación de información, no solo para efectos de emitir reportes de monitoreo sino para poder tener mayores elementos de juicio que ayuden a sistematizar las experiencias implementadas y en lo posible a generar investigaciones que profundicen en la viabilidad y replicabilidad de dichas propuestas.

- En relación al personal, hemos encontrado que aquel que es responsable de llevar adelante los procesos de recolección de información tienen las capacidades para esta actividad. Se reconoce que la actividad de Monitoreo y Evaluación implica una mayor capacitación de las funciones de esta actividad. En este sentido, hemos encontrado en las sedes regionales una preocupación casi general solicitando un mayor interés por parte de las sedes centrales en el tema de capacitación en monitoreo y evaluación, así como la socialización de información sobre los resultados generales de su trabajo a nivel regional y a nivel nacional.

Un aspecto importante a mencionar es el que, para algunas contrapartes, la responsabilidad de realizar el monitoreo y la evaluación de los subprogramas ejecutados se comparte con otra entidad u organismo socio en la implementación del proyecto PL-480. En ese sentido, algunas contrapartes designaron recursos a dichas entidades para viabilizar este trabajo conjunto de monitoreo y evaluación.

### **C. Uso de la Información**

- **La elaboración de informes y reportes** de los sistemas de monitoreo y evaluación están bajo la responsabilidad de las sedes centrales (Lima), los cuales se alimentan de los insumos que las sedes regionales les proveen mensual, trimestral o al término de una actividad específica para algunos casos.

La elaboración de dichos informes o reportes están a cargo de un equipo, los mismos que se emiten semestral y anualmente, de acuerdo a los requerimientos de la agencia financiera.

Debido a las exigencias de USAID para la presentación de dichos informes, las contrapartes cumplen con cronogramas de entrega que han sido planificados, evidenciándose además una fluida relación sobre estos temas entre el donante y las Agencias, lo cual implica un aprendizaje conjunto sobre cómo ir mejorando los sistemas implementados.

La elaboración de informes o reportes para uso de los beneficiarios todavía se encuentra ausente.

Aunque existen reportes que se destinan en algunos casos a entidades del Estado, estos se emiten sin hacer un seguimiento del probable uso de dichos reportes. Asimismo, la existencia de un mayor esfuerzo realizado para que estos u otros agentes, distintos al Subprograma, hagan uso de la información está ausente.

No obstante, es importante reconocer el uso de la información que han adoptado algunos organismos del Estado, en especial en los Subprogramas del Sector Salud y Nutrición.

- **Toma de decisiones**, la información resultante de los sistemas de monitoreo y evaluación presentada a través de sus informes semestrales y anuales, brindan la oportunidad de tomar decisiones relacionadas a la ejecución de los subprogramas. En algunos casos, las sedes regionales, dependiendo de las capacidades de los equipos ejecutores para usar dicha información pueden decidir sobre la marcha de las actividades que ejecutan.

Se reconoce que el uso de la información para la toma de decisiones todavía se encuentra en proceso.

- **Devolución de la información**, la devolución a los beneficiarios de manera colectiva es reconocida con mucho valor por parte tanto de los técnicos supervisores como de los beneficiarios. En el caso de los Subprogramas de Salud y Nutrición a los beneficiarios se les hace llegar una hoja resumen. Sin embargo, la entrega está lejos de constituir una práctica organizada. En este mismo sentido, el recoger el grado de satisfacción de los servicios que se brindan por parte de los beneficiarios, se encuentra todavía en una etapa incipiente.

En una de las visitas realizadas, los beneficiarios mencionan que no es frecuente que los ejecutores o supervisores del Subprograma indaguen por la calidad de los servicios que reciben.

En algunos casos se cuenta con medios informáticos que podrían ayudar a transmitir los resultados de los logros alcanzados y estimular o motivar las prácticas que los subProgramas pretenden. El uso de los medios con que se cuenta todavía es débil.

A su vez, involucrar a los beneficiarios en la devolución de información conlleva a insertarse en un enfoque de **evaluación participativa**.

Lo que permitiría que los resultados sean utilizados por los ejecutores: personal de campo y beneficiarios, fortalecer las capacidades locales "empoderamiento", propiciando el análisis de su información y provocando sus propias conclusiones. Combinando información cualitativa y cuantitativa, basados en una cultura de aprendizaje en el desarrollo de los Ssubprogramas.

- **Divulgación de la información**, el Sistema de Información de PL-480, el mismo que aparece en página Web, es un esfuerzo realizado por las Agencias y USAID que merece destacarse.

Continuar con este esfuerzo, aunado con una agresiva campaña de su uso por parte de tanto de la sociedad organizada (entidades públicas y privadas: municipalidades, ONGs, CTARs y otros) como de los diferentes agentes que participan en el Programa Global de PL-480 , constituye un reto de las unidades de Monitoreo y Evaluación.

En Cajamarca, departamento con el número más alto de intervenciones en Salud y Nutrición en Centros Poblados, se pudo observar que el uso la información disponible, por parte del Estado era muy débil.

Sin embargo, existen casos positivos donde la información emitida por los Subprogramas se viene utilizando en la coordinación de sus intervenciones, tal como es el caso en el Departamento de San Martín, con la el Comisión Multisectorial de Alimentos.

## **ANNEX III**

### **Visit Schedule, by Sector**

<i>SECTOR</i>	<i>DESTINO</i>	<i>FECHA</i>	
		<i>DEL</i>	<i>AL</i>
HEALTH AND NUTRICION Mr. Alberto Padilla	CAJAMARCA	25 April	29 May
	TARAPOTO	03 May	05 May
	PUNO	08 May	10 May
	AYACUCHO	12 May	13 May
AGRICULTURE Mr. Jorge Alarcón Mr. Scott Thomas	TARAPOTO	18 April	21 April
	CAJAMARCA	27 April	01 May
	CUSCO	10 May	14 May
MICROCREDIT Mss. Judith Kuan	CAJAMARCA	25 April	28 April
	TARAPOTO	09 May	11 May
CROSS-CUTTING ISSUES Mr. Fernando Chávez Mr. Percy Bobadilla	CAJAMARCA	24 April	26 April
	TARAPOTO	02 May	06 May



## **ANNEX IV**

### **List of Contacts for the Evaluation**

## MONITORING AND EVALUATION

## *ADRA*

<i>NOMBRE</i>	<i>CARGO</i>
Jeny Levano	Salud y Nutrición
Nestor Mogollón	Jefe de la Unidad de Monitoreo y Evaluación.
Ronald del Carpió	Area Contable
William Davis	Director PL480 Título II
Jorge Gordillo	Director Programa GIA
Mónica Gómez	Director del Programa Nutrición
Nancy Vega	Coordinadora Regional de Nutrición Infantil
Roger Pérez	Asistente GIA

## *CARE*

<i>NOMBRE</i>	<i>CARGO</i>
L. Tam	
Patricia de la Puente	Asistente PL480 Título II
Jeanet Díaz	
Marco Campos	
Ricardo Furman	Jefe de Unidad de Monitoreo y Evaluación
Ender Alain	
Milagros Ugarte	Contabilidad y presupuesto

## *CARITAS*

<i>NOMBRE</i>	<i>CARGO</i>
Andrés Moran	Coordinador de Salud y Nutrición
Gloria Tejada	Coordinadora General Titulo II
Héctor Hanashiro	Director Programa salud y Nutrición
Carola Amezaga	Jefe de Planeamiento, Monitoreo y Area de Evaluación
Padre Justo Olaechea	Coordinador PNRODESA
Econila Erazza	Secretario General de CARITAS San Martín
Luis Prettel	Director Escuela Bilingüe
Luis Lampo	Jefe de la Unidad de Monitoreo y Evaluación.

## *PRISMA*

<i>NOMBRE</i>	<i>CARGO</i>
Luis Segura	Jefe de Unidad de Monitoreo y Evaluación
Marilú Chiang	Jefe de la División de Salud y Nutrición
Delia Houstein	Coordinadora General PL480 Título II
Javier Vega	Responsable Micro Crédito
Eduardo Salinas	Responsable Presupuestos

## *USAID*

<i>NOMBRE</i>	<i>CARGO</i>
Mirfan Choy	Jefe de Unidad de Monitoreo y Evaluación
Luis Seminario	
Jerry Martin	Consultor CRS
Juan Robles	Coordinador Proyectos
Hectore Merino	Coordinador Proyectos
George Baldino	Director PL480 Título II

## *MINSA*

<i>NOMBRE</i>	<i>CARGO</i>
Ruben Horna (Cajamarca)	Director Centro Salud Magdalena
Elsa Díaz (Cajamarca)	Jefe de la División de Niños
Oscar Aguirre (Cajamarca)	Director Planeamiento
Abraham Pajares (Cajamarca)	Especialista Area División
Higinia Arce (Cajamarca)	Coordinador Regional PANFAR
Carlos Delgado (Cajamarca)	Director del Personal Salud
Flor de María Azañero (Cajamarca)	Responsable División de Salud de Menores de Jesús
Flor de los Sanyos (Cajamarca)	Responsable Logística del Centro de Salud Jesús
Walter León (Cajamarca)	Técnico de Nutrición y Estadísticas del Centro de Salud Jesús

## ***LIDERES COMUNALES***

<i><b>NOMBRE</b></i>	<i><b>CARGO</b></i>
Maria Bustos	Presidente Vaso de Leche Comunidad La Viña
Nelly Horna	Presidente del Comedor Popular Comunidad la Viña
Juan Vigo	Teniente Gobernador de la Comunidad la Viña
Catalino Vilar	Teniente Gobernador Comunidad Yanamango
Anibal Bustamante	Teniente Gobernador Comunidad Monte Redondo (Bambamarca)

## HEALTH AND NUTRICION

### *ADRA*

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Mónica Gómez	Director del Programa de Nutrición
Maria Elena Chavez (Ayacucho)	Coordinador Regional del Programa Nutrición Infantil
Naida Melgar (Ayacucho)	Supervisor
Victoria Pumacahua (Ayacucho)	Supervisor
Lina Ramírez (Ayacucho)	Supervisor
Maria Elena Varillas (Ayacucho)	Supervisor
Nancy Vega (Cajamarca)	Coordinador Regional de Nutrición Infantil

### *CARE PERU*

<i>NOMBRE</i>	<i>CARGO</i>
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Jannet Díaz (Lima)	Especialista
Narcisa López (Cajamarca)	Responsable proyecto Niños
Blanca Pérez (Cajamarca)	Asistente de Salud
Rocío Alvarez (Puno)	Jefe Programa Salud
María Palomino (Puno)	Técnico en Enfermería
Alejandra Mauri	Técnico en Enfermería

## *CARITAS DEL PERU*

<i>NOMBRE</i>	<i>CARGO</i>
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José Tejada (Lima)	Coordinador de Salud y Nutrición en el Norte
Héctor Hanashiro (Lima)	Director del Programa de Salud y Nutrición
Cecilia Izarra (Lima)	Supervisor de la Región Central de WINAY
José Rojas (Lima)	Supervisor de Sanidad
Carola Amezcaga (Lima)	Jefe de planeamiento, Monitoreo y Area de Evaluación
Edgar Gallardo (Cajamarca)	Presidente Comunidad de Rondas
Ricardo Pérez (Cajamarca)	Presidente Proyectos
Elsa Gallardo (Cajamarca)	Promotor WINAY
Jaime Gallardo (Cajamarca)	Promotor WINAY
Mercedes Vega (Cajamarca)	Vocal del Comité Proyectos
Severiano Cáceres (Cajamarca)	Secretario General CARITAS
Fany Tornillo (Cajamarca)	Técnica WINAY
José Martínez (Cajamarca)	Promoción Chota
Pilar Sandoval (Cajamarca)	Técnica WINAY
Santiago Díaz (Cajamarca)	Coordinadora Programa Administración Compartida
Bertha Velarde (Cajamarca)	Programas de Salud
Doriz Vasques (Cajamarca)	Oficina Salud Reproductiva
Hernando Sánchez (Cajamarca)	Coordinadora Programa de Alimentos y Nutrición
Guillermo Ramírez (Tarapoto)	Representante WINAY
José Cueva (Tarapoto)	Administrador CARITAS
Luis Prettel (Tarapoto)	Coordinador de PRODESA
Padre Justo Olaechea (Tarapoto)	Secretario General CARITAS San Martín
Belmerto Tapullina (Tarapoto)	Alcalde Centro Poblado Santa Cruz
Econila Erazza (Tarapoto)	Director Escuela Bilingüe
Marcos Foamarra (Tarapoto)	Técnico en Salud



## *PRISMA*

<i>NOMBRE</i>	<i>CARGO</i>
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Marilu Chiang (Lima)	Jefe división Salud y Nutrición
Luis Segura (Lima)	Jefe de monitoreo y Evaluación
Edgar Medina (Lima)	Supervisor
Lourdes Sánchez (Cajamarca)	Coordinador programa PANFAR
Belen Bocanegra (Tarapoto)	Presidente Cocoa
Modesta Mendoza (Tarapoto)	Vocal Cocoa
Inés Flores (Tarapoto)	Coordinador PANFAR
Nora Nieto (Tarapoto)	Coordinador PANFAR regional
Miguel Vela (Tarapoto)	Director General Salud Región San Martín
Henry Ramírez (Tarapoto)	Director Ejecutivo Programa Salud
Blanca Pérez (Puno)	
Silvia Melo (Puno)	Coordinadora PANFAR
Hilda Romero (Puno)	Coordinadora KUSIAYLLU
Luz María Zuni (Puno)	Supervisora Programa Nutrición Infantil (Puno)
Sonia Apaza (Puno)	Supervisora Programa Nutrición Infantil (Huancani)
Woodro Andia Castelli	Director Regional CARE (Puno)
Valmo Ali (Puno)	Jefe Programa Niños
Pilar Turpo (Puno)	Coordinador PANFAR (Azangaro)
Doris Rojas (Puno)	Representante PANFAR Centro de Salud ARAPA

## *CENTRO NACIONAL DE ALIMENTACION Y NUTRICION*

<i>NOMBRE</i>	<i>CARGO</i>
Nelly Biaocci	Director Gerente

## ***MINSA***

<i><b>NOMBRE</b></i>	<i><b>CARGO</b></i>
Ruben Horna (Cajamarca)	Director del Centro de Salud Magdalena
Elsa Díaz (Cajamarca)	Jefe de la División de Niños
Oscar Aguirre (Cajamarca)	Director de Planeamiento
Abraham Pajares (Cajamarca)	Especialista en el Area de División
Higinia Arce (Cajamarca)	Coordinador Regional de PANFAR
Carlos Delgado (Cajamarca)	Director del Personal de Salud
Flor de María Azañero (Cajamarca)	Responsable de División de Salud de menores de Jesús
Flor de los Sanyos (Cajamarca)	Responsable de Logística del Centro de Salud Jesús
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Rita Castañeda (Cajamarca)	Encargada del Programa de salud de niños en Bambamarca
Josué Orillo (Cajamarca)	Responsable del Seguro escolar en Bambamarca.
Ramiro Vrigoyen (Cajamarca)	Director del Centro de Salud de Lajas (Chota)

## *LIDERES COMUNALES*

<i>NOMBRE</i>	<i>CARGO</i>
Andrés Mariscal (Ayacucho) Patasuyo	Presidente Comunidad patasuyo
Porfirio Pillaca (Ayacucho) Patasuyo	Secretario Rondas Campesinas
Crisostomo Huaman (Ayacucho) Patasuyo	Vicepresidente de la Comunidad Patasuyo
Carmen Castilla (Cajamarca)	Profesora Colegio Local
María Bustos (Cajamarca)	Presidente del Vaso de Leche Comunidad La Viña
Nelly Horna (Cajamarca)	Presidente del Comedor Popular Comunidad La Viña
Juan Vigo (Cajamarca)	Teniente Gobernador de la Comunidad La Viña
Catalino Villar (Cajamarca)	Teniente Gobernador Comunidad Yanamango
Anibal Bustamante (Cajamarca)	Teniente gobernador Comunidad Monte Redondo de Bambamarca
Baldomero Mejía (Cajamarca)	Secretario General de Rondas Campesinas Comunidad Monte Redondo Bambamarca
Hipolito Uriarte (Cajamarca)	Presidente del Programa GIA Bambamarca
Gladys Mendoza (Puno)	Secretaria
Cecilia Condosi (Puno)	Tesorera
Teofila Mamani (Puno)	Presidente del Vaso de Leche
Rufo Roque (Puno)	Presidente APAFA
Epifiano Mamani (Puno)	Promotor
Juan Mamani (Puno)	Administrador JAS
Martín Gutiérrez (Puno)	Agente Municipal

## AGRICULTURE

## *ADRA*

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Wilder Plascencia (Cajamarca)	Coordinador Regional Programa GIA
Oscar Zárate (Cusco)	Administrador Regional
Francisco Sucupuca (Cusco)	Coordinador Regional Programa GIA
Helio Valdivia (Cusco)	Supervisor Programa GIA (Sicuani)

## *CARE*

<i>NOMBRE</i>	<i>CARGO</i>
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Victor Cueva (Lima)	Coordinador Nacional, ALTURA 2
Oswaldo Ramirez (Ancash)	Coordinador Proyecto ALTURA
Carmen Rosa Vera (Ancash)	Especialista Proyecto ALTURA
Alex Silva (Cajamarca)	Asistente del Programa (Celendín)
Carlos Serna (Cajamarca)	Asistente del Programa (Cajamarca)
Winston Azañedo (Cajamarca)	Asistente del Programa (Huamachuco)
Antonio Angulo (Cajamarca)	Especialista
Lourdes Cáceres (Cajamarca)	Coordinador FOGEL
Jorge Quiroz (Lima)	Consultor Proyecto ALTURA
Claudio Loza (Cusco)	Asistente Proyecto ALTURA (Patabamba)
Hido Félix (Cusco)	Representante Regional Proyecto ALTURA

## *CARITAS*

<i><b>NOMBRE</b></i>	<i><b>CARGO</b></i>
José Modesto (Lima)	Coordinador Nacional, Región Norte
Victor Laines (Lima)	Director Nacional Agricultura
Pio Silva (Lima)	Coordinador Nacional, Región Oriente (Selva)
Sara Yalan (Lima)	Coordinador Nacional, Región Sur
Luis Prettel (Tarapoto)	Coordinador Proyectos
Josefa Cueva (Tarapoto)	Administrador Local
Luis Salas (Tarapoto)	Supervisor Local
Hardy Tuesta (Tarapoto)	Supervisor Local
Iván Paredes (Tarapoto)	Supervisor Local
Roger Zamora (Tarapoto)	Supervisor Regional
Guillermina Ramirez (Tarapoto)	Coordinador WINAY
Walter Ruiz (Ancash)	Especialista PROAGRO
Ramón Espinoza (Ancash)	Especialista PROAGRO
Anita Vásquez (Lima)	Supervisora Alimentos PRODESA
Sonia Leyva (Lima)	Supervisora Alimentos PRODESA
Luciano Bravo (Lima)	Supervisor PRODESA, Región Sur
Juan Quispe (Lima)	Supervisor PRODESA, Región Norte
Gladys Castillo (Lima)	Supervisor PRODESA, Medioambiente
Gloria Tejada (Lima)	Coordinador PL-480 Título II
Alejandrina Pinto (Cusco)	Secretaria (Sicuani)
Santiago Cana Sulca (Cusco)	Tecnico (Sicuani)
Cirilo Puma Ocamayta (Cusco)	Tecnico (Sicuani)
Luis Rimachi (Cusco)	Ingeniero Civil (Sicuani)
María Cabrera Díaz (Cusco)	Enfermera Proyecto WINAY

### *PRISMA*

<i>NOMBRE</i>	<i>CARGO</i>
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Cecilia Flores (Lima)	Coordinador Nacional PRODECEE
Diego Fernandez – Concha (Lima)	Director planeamiento
Arturo Arzola (Tarapoto)	Coordinador PRODECEE
Jorge Meza (Tarapoto)	Coordinador PRODECEE
Marilu Saavedra (Tarapoto)	Coordinador PRODECEE
Delia Houstein (Lima)	Director Recursos Humanos
Ruth Villanueva (Cajamarca)	Especialista PRODECEE
Ovidio Narro (Cajamarca)	Especialista PRODECEE
Erlinda Silva (Cajamarca)	Especialista PASA
Solange Saavedra (Cajamarca)	Especialista PRODECEE

### *USAID*

<i>NOMBRE</i>	<i>CARGO</i>
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Victor Merino	Especialista PL-480

### *PRONAMACHCS*

<i>NOMBRE</i>	<i>CARGO</i>
Jesús Arequipeno (Ancash)	Especialista Forestal
Abdemio Puertas (Ancash)	Especialista
Braulio Estrada (Ancash)	Director Regional

**MICROCREDIT**



### *CARE*

<i>NOMBRE</i>	<i>CARGO</i>
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### *PRISMA*

<i>NOMBRE</i>	<i>CARGO</i>
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### *USAID*

<i>NOMBRE</i>	<i>CARGO</i>
Jaime Gisecke	Especialista en Micro Finanzas

### *EDYFICAR*

<i>NOMBRE</i>	<i>CARGO</i>
Ana María Zegarra	Presidente de Directorio
Nancy Goyburo	Gerente de Créditos
Manuel J.- Rimarachin Rodrigo	Asistente de Operaciones
Guillermo Zegarra	Gerente General

**ANNEX V**

**List of Documents, by Agencies**

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## *CARE*

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- 18 Informe Final. Evaluación intermedia del Proyecto Niños de CARE Perú (Enero 1999).
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- 2 DAP Amendment Proposal FY 1999
- 3 Annual Result Report, FY 1998 (Feb. 99)

- 4 PRODESA Development Project Proporsal (May 1995)
- 5 Informe de Resultados de la Línea de Base Nacional – Noviembre 1996 (Octubre 1997)
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## *USAID*

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- 12 Performance Monitoring and Evaluation : Establishing Performance Targets.
- 13 Performance Monitoring and Evaluation : Preparing a Performance Monitoring Plan.
- 14 Performance Monitoring and Evaluation : Selecting Performance Indicators.
- 15 Performance Monitoring and Evaluation : Using Rapid Appraisal Methods
- 16 Performance Monitoring and Evaluation : Using Direct Observation Techniques.
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- 22 U.S. Food Aid and Sustainable Development (Forty Years of Experience)
- 23 COPEME: Informe Final del Taller Experiencia de USAID en la Aplicación de las Políticas de Microfinanzas.

- 24 COPEME: Primer Informe. Contrato de Asistencia Técnica a los Proyectos. de Microcrédito del Programa de Alimentos del PL480.
- 25 COPEME: Segundo Informe. Evaluación del Programa de Microcrédito de CARE (Servicio de Desarrollo Rural SEDER al mes de Setiembre). 98)
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## *OTROS TEXTOS*

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## **Annex VI**

### **Comments of Cooperating Sponsors and USAID on Penultimate Draft**

## PRISMA Comments to the Final Evaluation Report

### **Strategic Evaluation of the Food Security Programs of Four Cooperating Sponsors in Peru under PL 480 Title II**

PRISMA recognizes the complexity of evaluating various sub-programs in four cooperating sponsors and is appreciative of the efforts made by the evaluation team to achieve participation of the agencies in the process of this evaluation.

**I. As a general comment, we believe that a more detailed analysis regarding the response of each of the sub-programs to the components of the USAID Food Security Strategy: availability, access and use.** We feel such an analysis is very important in evaluating food security programs and would have provided a useful conceptual framework from which to make recommendations. In addition to responding to the "Food Security Strategy for Peru," the agencies also explicitly responded to the "Food Security Results and Indicators" developed in FFP Washington and annexed to the guidelines for the DAP 96 and the PAA 97. All results in this annex refer to the "the vulnerable population."

By way of example, in the area of "access" a proposed result was "to improve incomes of the vulnerable population." This refers to the population at risk for an inadequate intake of the daily nutritional requirements. We believe that had the team taken this into account as a conceptual framework from which to base their recommendations, the discussion of rural versus urban micro-credit clients would not have been an issue in the final report, but rather a discussion as to whether or not the target populations were vulnerable. The mandate for the Title II Program is to seek out and work with the vulnerable populations. Studies performed by PRISMA, and given to the team, have shown that the dietary intake of rural populations, in most rural areas of Peru does not meet the recommended daily requirements for calories and protein.

As the evaluation report mentions, the definition of rural and urban may vary from place to place, and from organization to organization. In the case of PRISMA, if we were to use the official INEI definition then almost 100% of our portfolio could be classified as rural. The definition in each of our areas is usually based on two criteria: lack of access to urban services and principal economic activity of the population is agriculture.

**II. We are not in agreement with the conclusion made by the team that states that expansion to rural areas caused higher delinquency in 1999 (page 18).** This same pattern was also evidenced in the formal banking system at the same time, following the economic crisis of 1998. Although the report states that a lack of disaggregated data for previous years as the reason why the conclusion remains, we believe that the following table shows quite clearly that the delinquency for the year in question was in fact higher in urban areas than in rural areas. After using a vigorous delinquency control and special training program for staff, the delinquency rates for both urban and rural sectors decreased dramatically from September 1999 (15.75% in urban and 9.47% in rural areas) to March 2000 (5.38% in urban and 7.53% in rural areas).

The following table shows disaggregated results for 1999:

### Urban versus Rural delinquency March 1999 to March 2000

Urban			Rural		
Period	Portfolio	Delinquency	Period	Portfolio	Delinquency
Mar-99	1'264200	7.64	Mar-99	3'343946	5.64
Jun-99	1'466265	13.08	Jun-99	3'790365	8.67
Sept-99	1'627987	15.75	Sept-99	3'718950	9.47
Dic-99	2'680763	8.20	Dic-99	5'233887	7.82
Mar-00	3'958841	5.38	Mar-00	8'248850	7.53

It should be noted that PRISMA expanded micro-credit activities where there were opportunities for working with the vulnerable population. The portfolio at the start of the program had both rural and urban clients. The methodology of community banks was adapted by PRISMA in 1997 to work in rural areas, by forming four or five solidarity groups who then joined as a community bank. We believe that current results show that this design, and the low average level of loan for each client actually help self-select the most vulnerable populations who have potential for improving their income. These are basic premises of current micro-credit theory and practice worldwide.

Thus PRISMA does not specifically seek rural or urban clients. We do however try to maintain a gender balance, realizing that resources in the hands of women help improve food security, as well as involving the vulnerable population on demand. We believe that there may have been some confusion in the team as to **micro-credit in rural areas** and **rural agricultural credits**. These are two different issues. For example, the level of credit needed for the installation of one hectare of potatoes could be as high as \$4,000. Our micro-credit program to date has not attempted to respond to these needs, but provides an average loan of about \$165, which allows a poor farmer and his family to diversify their incomes and increase household food security.

III. We also disagree with one of the main results in the executive summary: *"cooperating sponsors have not collected information on intermediate results that can be used to assess program impact."* PRISMA has collected intermediate indicators, especially in nutrition activities, which was the component where most of our Title II expenditure was made. Intermediate indicators were collected from representative samples of the population in key project areas, during the last 5 years. These results are mentioned in the 1999 Results Report and were given to the evaluators. Intermediate indicators and their changes were reported from representative samples of the population in six areas for the following variables: breast feeding, weaning, number of feedings per day, immunizations, diarrhea, hygiene, and finally, anthropometric indicators of nutritional status (W/H and H/A). In 1998, PRISMA began collecting intermediate results for PASA on an annual basis among a representative sample of credit clients. The results from these surveys are currently being analyzed. Due to the cost associated with a rigorous and precise collection of these indicators, it is not cost-effective to collect such data more frequently or among the total population of clients.

The evaluators mention the issue of attributing the changes in the impact indicator, chronic malnutrition, to the interventions of the PL480 program, on page 20 of the report. They suggest that studies be performed to establish the statistical relationship between impact indicators and program outputs and intermediate results. They make a suggestion in the following section (page 22) that the collection of monitoring data be reduced to cover the extra cost of these studies. This is unrealistic in terms of cost, as reducing the number of indicators which are being collected on beneficiaries who are routinely being seen as part of a program would not save as much money as would be needed to collect indicators that require a more rigorous methodology.

Also, the evaluators may have overlooked the importance of monitoring systems such as PANSERV for the PANFAR Program, which are used by local implementers for the making of management decisions. There may well be some monitoring information systems, which are essentially statistical information systems, however the trend is now towards management information systems for decision makers, especially local ones. PANSERV is available on the Internet to all program managers nationally. PRISMA did conduct an effect study to look at the effect of the different PANFAR interventions, food, anthropometric measurements, and education using data from the management information system, PANSERV. On page 28, they state that *"although there are some reports destined in some cases to government entities, these are emitted without carrying out a follow up on their probable use."* PRISMA has conducted training programs in all departments of the country for more than 1,800 persons including regional directors and has on-line help during office hours for the use of the PANSERV Program.

**IV. Finally we would like to list a series of what we believe to be omissions in the text:**

1. On page 28, the next to the final paragraph states that: *"international agencies tended to be more responsive to changing AID strategies and priorities than national agencies"*. We have noticed that this opinion of the evaluators from the draft report was removed from two areas in this final report but remains in the section on Cost Effectiveness, specifically Administrative Cost, even though it states that local agencies have significantly lower costs. Given that cost effectiveness measured in terms of total dollars spent on end beneficiaries has long been a stated priority of USAID, this statement does not appear to have a logical explanation. In fact, one might conclude the exact opposite, that in this case, International Agencies are being less responsive.

PRISMA has prided itself on its responsiveness to Title II priorities and USAID Strategies and priorities and does not agree with the inference in this statement. Important points to consider are, that PRISMA has worked hard to achieve the sustainability of PANFAR, with good results, as well as the restructuring of our PROFASA program, mentioned by the evaluators on page 60 (paragraph 3), to respond to the USAID Strategy of Support for Economic Corridors.

2. In the table on page 11 in the column "Revision," PRISMA has collected annual data to compare to the baselines.

3. In the table on page 14, the total of children under nutritional supervision for the other 3 agencies appears to be the cumulative total for 1996 to 1999, whereas the PANFAR/Kusiayllu totals are for only two years, 1996 and 1999.
4. On page 15 the last full paragraph, PASA actually reports delinquency at one day, 30 days and 90 days, recognizing that USAID policy requests delinquency less than 5% at 90 days for acceptable program criteria. However the information at one day and 30 days is important as a management decision-making tool, and is used within the program decision-making process.
5. In the first paragraph on page 20, the suggested proxy indicators such as low birth weight and infant mortality may not be practical as these indicators are present in a small proportion of the total population. Low birth weight, for example, is only 8% whereas chronic malnutrition has a higher prevalence and would require a smaller population, thus reducing the cost of collection for this indicator.
6. On page 31, the next to last point on the page talks of an emphasis on programs increasing potato production, despite saturated markets and low prices. If this problem had been analyzed within the food security conceptual framework of availability, the evaluation would have recognized that even though a result relating to improved production for vulnerable populations had been achieved an important parallel result relating to the improvement of markets and distribution systems for these same vulnerable population had not received emphasis by these sub-programs. In actual fact the potato is an important crop for Peru, however, not enough attention has been paid to the timing of harvests in different areas of the country. This year, the harvest from many areas of the sierra coincided because of early harvests due to fears of blight, the influx in the market created the price decrease; the price went up again a few weeks after the initial market glut. In conclusion, I do not believe there was an error in supporting potato production, but in not considering sustainable distribution systems and markets for these populations.
7. On page 70, there is an error in the last paragraph of the section 2.1.2, which should read PASA in Tarapoto.
8. On page 76, the first paragraph of section 3.2.2, the ratio for MCP PRISMA should read -10%, -5% and -1% and not -10%, -12% and -1%.
9. The last paragraph on page 76 does not coincide with the information it refers to in the table on page 74. The text should read "high rate from December 1999 (41%) with a declining trend towards March 2000 (10%)."

We wish to thank the evaluation team for their time and patience and for this opportunity to respond to the final version of the evaluation.

## CARE DEL PERU

### COMENTARIOS A LA EVALUACION FINAL DEL TITULO II

Si bien consideramos importantes las conclusiones a las que la evaluación ha llegado en los aspectos de microcrédito es necesario aclarar los siguientes puntos:

- No se aclara en qué análisis se sustenta que las actividades de crédito rural no han sido probadas y que deben ser revisadas para ver si deben seguir siendo financiadas. Esta afirmación se contradice con lo planteado en el punto 5.2 de Refocalización Estratégica del Microcrédito.
- 1.2.3 Microcrédito: La tasa de morosidad de SEDER a partir de la firma de la Addenda en Mayo de 1999 es la que Edyficar emite bajo los estándares de la Súper Intendencia de Banca y Seguros.
- "*Seder no tuvo metas al inicio del programa*".....Seder se inició en 1998 como subcomponente del proyecto Niños y entre los documentos entregados al equipo evaluador se encuentra el documento PAA FY98 del 23/06/97 en la página 37 en el cuadro: Niños Implementation of Key Activities in 1998, en los últimos 3 subcuadros se encuentran los resultados planteados a alcanzar así como las actividades, la unidad de medida, y las metas a lograr.
- En el punto Fortaleciendo la Costo eficacia-económica: se reconoce la importancia de los servicios no financieros siempre y cuando estos no sean dados por la misma entidad. Sin embargo en: 5 Direcciones Futuras 5.1 Lecciones Aprendidas se plantea lo contrario en el párrafo 3.
- No compartimos la apreciación respecto al que la sostenibilidad de la intervención en Microcrédito es desconocida. Consideramos que se debe plantear claramente el sustento de este punto.
- Se plantea la conexión con el proyecto P.R.A., cuando aún no se conocen los resultados de éste y sólo tiene meses de haberse implementado
- E. Evaluación del Sector Microcréditos, Resultados por Institución. 1.1 Evolución del Foco Estratégico 1.2 Programas de Microcréditos de CARE. Seder no sólo da asistencia técnico – empresarial a microempresas sino a familias que realizan actividades generadoras de ingresos.
- 2.- Evaluación de Resultados, nota 1 para SEDER el concepto de rural tiene está basado en la definición del INEI,
- 2.2.Evaluación del Logro de las Metas, 2.2.2 Logro de las Metas, Revisar el párrafo 3 del presente documento.
- *La información incluida...*, en ese periodo la morosidad se informaba respecto a lo que el proyecto había colocado y no la Línea ya que Edyficar también colocó bajo la misma Línea de Crédito, la variación en las tasas para el mismo periodo es por que se ha considerado la Línea completa.
- Se asegura que los programas de crédito no estuvieron acompañados por asistencia técnica ni de marketing y que se ha hecho principalmente en administración de empresas. En visitas efectuadas con personal de USAID se ha podido observar en el

campo que los participantes saben determinar sus riesgos a través del costo de manejar el crédito decidiendo la conveniencia de solicitar un crédito adicional ó pagar adelantado su crédito.

- 3.2.1 Sólo aproximadamente 25 de los primeros créditos colocados en Setiembre del 98 tuvieron periodo de recuperación de 18 meses.
- 3.2.3 Eficiencia, "*A Diciembre la eficiencia de SEDER fue baja....*", a esa fecha ya se habia realizado la transferencia de capital al patrimonio de Edyficar y por lo tanto el fondo iba paulatinamente decreciendo en mérito a la capitalización. No es posible medir sin considerar este factor.
- SEDER no se ha retirado de la zona de Conchucos y trabaja en orden a una intervención de programa de CARE, si consideramos una zona riesgosa más por el efecto de la intervención de la empresa minera Antamina
- Cuadro: Capitalización Estimada por Programa: Se considera a SEDER para el periodo 1996-2000, cuando SEDER se inicia en el FY 98.

## COMENTARIOS DE CARITAS DEL PERU

### SOBRE EL INFORME FINAL DEL "STRATEGIC EVALUATION OF THE FOOD-SECURITY PROGRAMS OF FOUR COOPERATING SPONSORS IN PERU"

#### *I. Comentarios Generales:*

Consideramos, en términos generales, que se han logrado aceptablemente los objetivos de la evaluación. Coincidimos en que la información disponible tiene limitaciones que restringen los alcances de los objetivos originalmente planteados.

De otro lado queremos señalar que si bien la evaluación recoge algunos elementos cualitativos, el peso mayor radica en los aspectos cuantitativos o cumplimiento de metas. Este hecho sesga y minimiza aspectos muy importantes como los enfoques y estrategias de desarrollo de las agencias.

En el caso particular de Cáritas, consideramos que hubiera sido importante resaltar no sólo como los proyectos van resolviendo problemas y carencias en la población beneficiaria, sino también como nuestra estrategia de intervención integral, centrada en el desarrollo y fortalecimiento de las capacidades y valores de las personas, va desencadenando procesos sociales que rebasan la esfera de lo micro-local. Estos procesos van configurando un tejido social que constituyen el auténtico motor del desarrollo y la condición indispensable para su sostenibilidad.

#### *II. Comentarios Específicos:*

##### Sector de Salud y Nutrición:

- ♦ No nos parece cierta la afirmación que las agencias cooperantes no realizan seguimiento del estado de desnutrición crónica como indicador clave de progreso o de impacto. Dicha información existe y es usada por las agencias. Lo que es cierto es que en el cuadro de indicadores de progreso (R4), no se incluye dicho indicador. Pero eso es condición de USAID y no de las agencias cooperantes.
- ♦ Compartimos las recomendaciones sobre programas de salud y nutrición .
- ♦ Las recomendaciones sobre la necesidad de reforzar las coordinaciones con el Ministerio de Salud y el Ministerio de Educación son válidas. Si embargo, debe comentarse que las condiciones a cumplir no dependen solamente de las agencias cooperantes, sino también del propio sector público.



- ♦ La recomendación referida a establecer relaciones más estrechas de los programas de la PL 480 y la división de Salud, Población y Nutrición de USAID/Perú, nos parece importante en aras de optimizar recursos y compartir enfoques de trabajo.

#### Sector de Agricultura e Infraestructura Productiva:

- ♦ En términos generales, si bien el marco teórico es correcto, en la mayoría de los casos el informe no recoge una adecuada comprensión socio-económica de las comunidades en las que Cáritas trabaja –básicamente de subsistencia-. El informe señala con mucho énfasis la falta de orientación al mercado de los proyectos agrícolas y propone para el futuro la adopción de medidas correctivas al respecto. Sin embargo, por definición el grueso de las comunidades en la que Cáritas trabaja son predominantemente de auto-consumo y alejadas de los mercados.
- ♦ Al realizar la evaluación de PROAGRO, el informe no considera el importante peso relativo que en Cáritas ha ido teniendo las actividades pecuarias – básicamente crianza de animales menores-. La actividad pecuaria ha ido adquiriendo en Cáritas un peso creciente en los últimos años con cerca del 30% de la inversión en PROAGRO. Esto se debe, a la vocación de los suelos en los ámbitos que trabajamos. Recientes mini-evaluaciones externas han identificado que esta actividad es de gran potencial y sobre todo reduce el riesgo que significa el trabajo en cultivos. Además, según la evaluación realizada, se trata de una actividad de buena rentabilidad y muy aceptada socialmente por los beneficiarios. No obstante, una omisión muy grande es que el componente pecuario ni siquiera es considerado en los indicadores del R4.
- ♦ Nos parece muy tajante concluir que las inversiones de infraestructura pública (sistemas de riego y caminos de acceso rurales) no deben continuar con el financiamiento de la PL 480. Los sistemas de riego son la base para el desarrollo de las zonas en las que trabajamos. Asimismo, los caminos de acceso son el pilar para lograr que las comunidades tengan mejores condiciones para la comercialización y acceso a mercados. Pensamos, que bajo la estrategia de Cáritas que prioriza el fortalecimiento de la organización comunal, se dan los mecanismos adecuados –susceptibles de ser mejorados- para la sostenibilidad de las obras.
- ♦ Se ignora en el documento la estrategia de intervención de Cáritas, la misma que se basa en procesos de planificación local participativos con la comunidad. Esto, sin duda, redundará en una mayor sostenibilidad social de nuestras actividades. De otro lado, no se menciona el aporte de la comunidad – en mano de obra no calificada, materiales de acarreo- el mismo que es considerable y repercute en la sostenibilidad.

## COMENTARIOS AL INFORME DE EVALUACIÓN TÍTULO II

Los comentarios se centran en el tema de microcrédito.

- El informe no se pronuncia sobre la conveniencia de la continuidad de los programas de microcrédito con recursos de Título II, sobre la base de que son programas experimentales, y cuyo éxito aún no ha sido comprobado. Esta posición no ayuda a la toma de decisión sobre estos programas, y aparece sustentada principalmente en una tasa alta de morosidad de cartera, que no permite calificar estos programas como exitosos a pesar de su creciente cobertura, sostenibilidad, palanqueo, menores costos administrativos, y los avances positivos en la evaluación del impacto generado.
- El informe relaciona el mayor índice de morosidad de los programas con el incremento de la cartera en áreas rurales, y no con el contexto económico nacional, regional y del sector financiero, siendo así que, durante el mismo periodo de análisis, las tasas de morosidad en las instituciones financieras formales se elevaron a niveles aún mayores que los de las entidades de microcrédito. Este aspecto de contexto no es mencionado adecuadamente, siendo relevante en todo programa de crédito que se haya ejecutado en este periodo.
- El informe considera necesaria una adaptación de la tecnología de crédito a las características de las actividades rurales. El énfasis debe estar más bien en definir cuáles actividades en el medio rural son adecuadas para ser financiadas con el microcrédito, de manera que se oriente a los usuarios del crédito de libre disponibilidad para el uso eficiente de estos recursos. El microcrédito no es adecuado para atender todas las necesidades financieras de esta población, lo cual no le quita mérito como instrumento de mejora de ingresos.
- Sobre el tema de la morosidad, debe incluirse en las recomendaciones el refuerzo de los sistemas de central de riesgo con información de los usuarios de microcrédito en cada región, que sería uno de los aspectos en los cuales se puede favorecer la cooperación entre los distintos programas en cada corredor económico.
- Para la estrategia de salida, el elemento fundamental es el logro de la sostenibilidad de los programas, la cual se encuentra en un grado significativo de avance, tanto en CARE como en PRISMA. La modalidad de salida puede ser distinta, en el caso de CARE a través de una institución formal promovida por la propia agencia implementadora, en el caso de PRISMA la modalidad puede ser un acuerdo de administración de la cartera de crédito con una o varias entidades formales sin tener necesariamente una relación directa con la agencia implementadora del programa.
- Particularmente en el caso de CARE / EDYFICAR es conveniente revisar no solamente la sostenibilidad del conjunto de la institución, sino de las agencias o zonas geográficas en las que SEDER tiene presencia, y para las cuales la participación del programa financiado con recursos de Título II tiene una mayor participación dentro del conjunto de la cartera de EDYFICAR. Asimismo, es importante establecer en qué medida la falta de los servicios de apoyo a los préstamos y asistencia técnica que brinda CARE

limitarán el crecimiento y permanencia de la cartera de créditos SEDER en EDYFICAR una vez concluido el programa.

**[Otros comentarios]**

Un aspecto que ha merecido atención son los costos en términos de dedicación del personal de las diferentes Agencias Cooperantes a actividades de Monitoreo y Evaluación. A la vez, en el desarrollo de los talleres se manifestó por parte de las Agencias, su preocupación respecto del presupuesto que se debía destinar a tales actividades.

Al respecto, es importante indicar que la política de USAID está dirigida a asegurar que tanto los fondos como el personal sean asignados para el cumplimiento de las actividades de Monitoreo y Evaluación.

Un rango respecto del nivel presupuesto asignado a estas actividades se encuentra entre el 3% y el 10% del presupuesto global. Sin embargo, factores específicos de cada Programa pueden llevar a una decisión por encima o por debajo del rango señalado.

A su vez, las Unidades de Monitoreo y Evaluación son responsables de implementar su sistema de recopilación de información de una manera rentable (considerando el criterio de costo-efectividad en la recopilación datos durante el proceso de planificación estratégica).

Si los costos anticipados resultan prohibitivos, será pertinente considerar lo siguiente:

- modificar los indicadores de la actuación debido a que son muy costosos
- modificar el diseño y la propuesta de plan de actividades, considerando alternativas rápidas y de menor costo, o;
- modificar la relevancia o pertinencia del objetivo estratégico o resultado intermedio, desde que no es posible juzgar el progreso en términos de costos razonables.

**Annex VII**

**Terms-of-Reference**

## TERMS OF REFERENCE

### I. Background

Under Public Law 480 Title II, the U.S. Government supports the food security programs of six voluntary agencies working in Peru (hereinafter referred to as Title II "cooperating sponsors"). U.S. agricultural products are shipped to Peru, and the cooperating sponsors distribute them directly and/or sell them (called "monetization") to generate cash to finance their program needs. Four of these cooperating sponsors began their current multi-year food security programs in 1996, are now operating in the fifth year of those programs, and are scheduled to complete their programs in 2001. These four cooperating sponsors are the Adventist Development and Relief Agency (ADRA), CARE, CARITAS del Peru, and Asociacion Benefica PRISMA. The other two cooperating sponsors (TechnoServe and Catholic Relief Services) began their current programs later and are not yet at the half-way point of their implementation).

Annex A to this document contains brief summaries of the food security programs of ADRA, CARE, CARITAS, and PRISMA, including an explanation of the importance of Title II resources in implementing these programs.

Two U.S. Government entities--the U.S. Department of Agriculture and the U.S. Agency for International Development (USAID)--coordinate the worldwide programming of Title II resources to address the food security needs of developing countries around the world. USAID's field mission in Peru (USAID/Peru) has administrative responsibilities for Title II resources in Peru, coordinating with the implementing cooperating sponsors listed above and with USAID/Washington's Bureau of Humanitarian Response (BHR). BHR coordinates with officials of the Department of Agriculture and the cooperating sponsor headquarters, when they are located in the United States.

General guidelines for addressing a CS program under Title II are based on USAID's Food Security Strategy and more specifically BHR's yearly issued Guidelines for program proposals. USAID/Peru developed the Food Security Strategy for the country in 1994, which is the basis of other activities to address poverty reduction and social safety net issues, such as the Poverty Reduction and Alleviation Activity. It is based on an approach which links poverty-stricken rural areas to lower-hierarchy cities and these in turn to higher-hierarchy cities in an "economic corridors" strategy. The economic corridors strategy was developed within the context of the GoPs commitment to providing adequate social safety net services to the population living outside of the corridors.

USAID/Peru is currently implementing a "phaseout" strategy. This strategy calls for periodic updates of Peru's economic, social, and political trends over the next several years, allowing for adjustments in programming and time horizons to reflect the current environment. The economic corridors strategy is an important component of the phase-out strategy, as it allows Title II resources to be leveraged in those areas where they will achieve the greatest impact, within the context of declining Title II resources.

A general overview of the country performance show that successful strides have been made over the last several years in reducing extreme poverty. The percentage of total population living in extreme poverty fell from 18.8 percent in 1994 to slightly under 16 percent in 1997 and 1998. This was due mainly to more targeted GOP investments, as well as donor assistance in basic infrastructure and social services (including health, education, food assistance, rural roads, water and sewerage, irrigation and electrification). Among the people living in rural Sierra and jungle areas, extreme poverty decreased from 46 percent to 30 percent during the 1994-1997 period, and in 1998, while the downward trend in the rural jungle areas continued (26 percent), extreme poverty rose sharply in the rural sierra, reaching levels of approximately 43 percent.

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In the case of overall poverty measurement, different survey methodologies reached disparate conclusions. Results of the National Survey of Households to Measure Living Standards (*Encuesta Nacional de Hogares sobre Medición de Niveles de Vida*) indicate that despite these gains over extreme poverty, overall poverty has not shown the same impressive improvements. Although poverty decreased from 55.3 percent to 49.6 percent between 1991 and 1994, it has held steady for the period 1994-1997 at around 50 percent. While poverty in Lima and in the rural coast and jungle areas has declined, it has increased significantly in urban areas outside Lima. Thus, the generation of sustainable incomes and employment to reduce poverty, particularly in areas outside Lima, remains a serious challenge. Using a survey methodology with different variables, the National Statistics Institute reports overall poverty levels at approximately 38 percent for 1997 and 1998.

Nevertheless, there is evidence that social progress and economic growth in the country has not spread benefits equally, with higher gains in urban than in rural areas. A recent study by the National Health Institute's National Nutrition Center, using a nationwide sample of 2,000 households, shows a reverse in the downward trend of chronic malnutrition for children under five years of age. After a continued decline from 31.9 percent in 1996 to 26.8 percent in 1998, this indicator rose to 29.4 percent in 1999, with the most severely affected area being the rural sierra at 53 percent.

All base documents mentioned above will be available for the evaluation team before starting the evaluation.

## II. Program Evaluation Requirements

Regulations governing the use of Title II resources require that cooperating sponsors conduct periodic evaluations of their programs. With the endorsement of USAID, ADRA, CARE, CARITAS, and PRISMA have decided to collaborate in conducting a comprehensive evaluation of their food security programs, for the following reasons:

1. their programs span the same time period (1996 - 2001);
2. their programs are multi-sectoral, and each program is divided into subprograms with activities in at least two of the following sectors: health and nutrition, agricultural production and other productive activities, and micro-credit;
3. their programs target the same beneficiary profile--food insecure people, mostly living in the rural areas of Peru's highlands and jungle.

With the endorsement of USAID, the cooperating sponsors have decided to undertake a joint, comprehensive evaluation of their Title II-funded food security programs in the first semester of calendar year 2000, because they expect evaluation findings to assist in the following ways:

1. Inform on progress to date in achieving the results predicted in the original program documentation and the annual work plans;
2. Provide guidance in the design of future food security program strategies.

## III. Primary Evaluation Objectives

The evaluation has the following primary objectives:

1. Assess progress to date in achieving the results predicted in the four cooperating sponsors' original Title II program documentation;

2. Make some conclusions about the relative merits of working in the three sectors (health and nutrition, agricultural production and other productive activities, and micro-credit), in terms of cost effectiveness in achieving sustainable results on food security;
3. Taking into account information from objectives 1. and 2., along with a review of the current thinking regarding the use of future Title II resources, develop parameters for the programming of future CSs food security strategy for Peru, for the time period 2002 - 2008.

#### IV. Statement of Work

Compared to other countries where P.L. 480 Title II programs are implemented, the overall Title II presence in Peru is somewhat complex. This is due to its overall size (\$50 million annually), its geographic dispersion throughout the country, the number of implementing cooperating sponsors, and the variety of cooperating sponsor subprograms and the number of activities supporting those subprograms. For example, USAID/Peru estimates that in 1999 there is at least one Title II activity in over 5,200 communities throughout the country, and that approximately 1,700,000 Peruvians will benefit from these activities this year.

This comprehensive evaluation will include the Title II programs of ADRA (two subprograms: Infant Nutrition, Generation of Agricultural Income), CARE (three subprograms: Niños, ALTURA, and SEDER), CARITAS (three subprograms: Winay, Proagro, and Progein), and PRISMA (four subprograms: PANFAR, Kusiayllu, PASA, and CEAT). The subprograms in the health and nutrition sector are five: Infant Nutrition, Niños, Winay, PANFAR, and Kusiayllu. The subprograms in the agricultural production and other productive activities sector are five: Generation of Agricultural Income, ALTURA, Proagro, Progein, and CEAT. The subprograms in the micro-credit sector are two: SEDER and PASA. Although, by sector, these subprograms have many similarities of design, implementation strategy, monitoring of progress, and reporting of results, each is unique and reflective of the cooperating sponsor's food security experience and strategy.

The cooperating sponsors would like this evaluation to not rank subprograms, i.e., not indicate that one subprogram is "better" or "worse" than another. However, the evaluation should point out the relative strengths and weaknesses of the different subprograms in a way that will reveal lessons learned to the benefit of the entire Title II presence, and that will help the cooperating sponsors and USAID/Peru design a strategic document for future Title II programming (2002 - 2008).

The following specific objectives are to be covered by the evaluation:

*A. Objective #1 "Results."* This analysis should be presented for each of the three sectors. Annex B is a compilation of the documentation used under the Title II program to measure results, including the logical frameworks of the cooperating sponsors and the consolidated information reporting format used by USAID/Peru. The focus of the evaluation should be on "results" and "impact" indicators, to the extent possible, although some suitable "process" indicators may be used for sectors and subprograms where it is too preliminary to identify results. Indicators selected may be both quantitative and qualitative. The evaluation should select and discuss the best subset, from the total universe of indicators used under the Peru Title II program, to monitor progress and results. The evaluation should explain why these indicators are the best sample to be studied, including whether they were appropriate for a food security intervention of five or six years, whether baselines were established on time and using the correct scientific method, whether life of program targets and annual targets were clear and reasonable, whether those targets were met, the reasons why they were not met or were exceeded, and whether the results achieved are sustainable beyond the life of (sub) program intervention.

*B. Objective #2 "Sectoral Comparison."* The primary impact indicator used to measure the success of the Peru Title II food security program is "chronic malnutrition." Other impact indicators have included the percentage of households with "unsatisfied basic needs" and "increased incomes" (measured by "increased expenditures"). Each of these indicators has proved difficult to track, either because data is not available on an annual basis ("chronic malnutrition"), or the Title II program has not supported many activities which would change the range of "unsatisfied basic needs," or only recently has it been decided to track "increased expenditures" as a proxy for "increased incomes." The evaluation should indicate which of these impact indicators is appropriate to track changes in food security and whether sufficient information was available and adequately reported, by sector, to demonstrate an impact on food security under the Title II program.

The evaluation should discuss which types of activities within the cooperating sponsors' subprograms, by sector, were relatively more cost effective in achieving subprogram results. This cost effectiveness analysis has two parts: (1) an analysis of the financial costs to the Program and includes all costs funded by title II resources, and (2) an analysis of the total costs of the Program. The second analysis includes both the financial and economic costs of the cooperating sponsor and other major participating organizations such as other NGOs, government and religious organizations, etc. in achieving subprogram results.

The following questions should be taken into consideration when conducting the above analyses. A number of activities contribute to subprograms in the health and nutrition sector, including food distribution, training of mothers, childhood immunizations, and anthropometric monitoring of children. Which of these activities were relatively more cost effective in contributing to the results of the program? In addition to an analysis of cost effectiveness of activities within a sector, the evaluation should also discuss whether interventions in certain sectors are relatively more cost effective in achieving sustainable impacts on food security. For example, is it more cost effective to invest Title II resources in health and nutrition activities, agricultural production and other productive activities, or micro-credit to achieve reductions in chronic malnutrition, or reductions in unsatisfied basic needs, or improvements in income? In conducting the second part of the cost effectiveness analysis, a qualitative assessment of the contribution of a participating organization may be utilized in those instances where reliable quantitative cost data is not available.

*C. Objective #3 "Future Directions."* This objective builds on the findings and recommendations from the first two objectives. The future directions for programming CSs food security activities in Peru should depend, in large part, on the lessons learned under the existing programs, in terms of achieving sustainable results, while maximizing cost effectiveness and program efficiency. In addition, this objective requires the evaluation to take into account the strategic planning processes underway at USAID/Peru, as they may affect the future of the Title II program. These include how the Title II program is currently articulated within USAID/Peru's strategy, the approved "Title II Phaseout Strategy" for the period 1999 - 2008, and the ongoing USAID/Peru strategic planning process to develop a new five-year strategy for the Mission.

The evaluation should address such questions as, Given current thinking and analysis on the major factors affecting Peru's food security, including existing programs by the Government of Peru, what kinds of programs are most important to achieve a sustainable, maximum improvement in food security? Given the cooperating sponsors' and USAID/Peru's food security strategic framework, including projected resource levels, what is the best use of Title II resources? Given the relative impact and efficiencies of monetization programs versus those using food for direct distribution, what should be the breakdown of monetization versus direct distribution of Title II resources? Given projected Title II resource levels from 2002 - 2008, what would be an optimum number of programs funded by Title II? Given the information needs of the cooperating sponsors and USAID/Peru, what improvements could be made in the management information systems that establish indicators and baselines, identify program targets, and monitor and report on results?



## V. Methodology

The evaluation will be designed to look at key issues and impacts across cooperating sponsors and program types. This approach will provide the USAID and the cooperating sponsors with sufficient information to determine how resources could be better allocated and where particular activities need to be strengthened.

### A. Sources and Methods of Data Collection.

The assessments for each objective will be based on:

- A review of program reports and records and administrative data, including an analysis of data from a sample of each of the cooperating sponsors monitoring and evaluation systems;
- A start-of-evaluation planning workshop during Week 1 of implementation in Peru. The two-day planning workshop will be held in Lima with Cooperating Sponsor representatives, USAID staff and the Title II Evaluation Contract Coordinator;
- Interviews with cooperating sponsor and USAID staff; and
- Site visits to selected communities to validate program information and to gather additional information through focus groups and structured interviews with project participants and community level personnel.

### B. Site Selection.

Site selection will be made in consultation with the USAID and the cooperating sponsors. One site will be identified on the coast, one in the selva, and three in the Sierra. The sites will be selected in order to insure that the information collected provides sufficient coverage by urban/rural location; agro-ecological zone; and program type by cooperating sponsors. The evaluation team will also have to identify ways of assuring some comparability among beneficiary communities, e.g., similar levels of socio-economic development. When and if these comparisons are not possible, those undertaking the evaluation may have to interview non-participant individuals/communities as well as participating individuals and communities.

### C. Field Work

**Assessment of Maternal Child Health Programs:** This team will assess how well projects are targeted to the appropriate beneficiaries -- in this case, the most nutritionally vulnerable. Field visits will be made to project sites on the coast (one area will be visited), the Selva (also one visit), and in the Sierra (three areas). In project sites, team members will, using rapid appraisal techniques, determine the nature, length of time and operation of the interventions; verify the data obtained from the cooperating sponsor(s)' monitoring and evaluation system; using rapid appraisal techniques, collect information on the socio-economic characteristics of the community and the beneficiary population; measure the nutritional status of a sample of under-five children; using focus group interviews assess the knowledge, attitude and practices with respect to the health/nutrition interventions of a sample of the adult beneficiary population. In non-project sites, the team will assess the socio-economic characteristics of the community (since these sites are supposed to function as controls, the socio-economic characteristics of the project and non-project sites should be somewhat similar); measure the nutritional status of a sample of under five children in the community; and using focus group interviews, assess the KAPs of a sample of the adult

in Lima with CSs, USAID and the Title II Evaluation Contract Coordinator.

*Week 2*

Contractor develops a plan of work for conducting the evaluation. This will include plans for conducting the three assessments, including details on the selection of field sites and the substance of the field work

*Week 3*

Local team begins its work

*Week 7*

Contractor assesses status and quality of field work, suggests any mid-course corrections/technical changes to local team, and briefs the Title II Evaluation Committee and the Contract Coordinator on status of work

*Week 11*

Local team finishes its work and completes a draft of the assessments of the three programs and an overview/synthesis of the entire program.

*Week 12*

Contractor reviews draft report and writes the first draft of the final report. Contractor will distribute the first draft final report to the CSs, USAID and the Contract Coordinator, and will present results and solicit informal feedback from them during a final workshop. The Contractor will then present a revised draft final report to the CSs, USAID and the Contract Coordinator.

*Week 14*

Contractor obtains written comments from CSs, USAID/Peru and USAID/W

*Week 16*

Contractor finalizes and publishes evaluation

**B. Level of Effort and Qualifications of the Contractor Team**

The U.S. contractor team will consist of three senior professionals with extensive development experience, and the local Peruvian subcontractor team will consist of seven senior professionals and one junior professional. All three members of the U.S. contractor team should have experience with food aid programs, have good English language writing skills, be fluent in Spanish, and have previous working experience in Latin America, preferably in Peru. One of the team members should have an agricultural economics background and another a strong background in maternal child health/nutrition programs. Other skills that need to be contained in the teams include: microfinance; anthropology/rural sociology; project design and evaluation; monitoring and evaluation systems; institutional assessments; health/nutrition education; agricultural extension; cost benefit analyses; the collection and analysis of anthropometric data; rapid rural appraisals and other ethnographic techniques.

The expected level of effort required is:

U.S. Team: 2 senior professionals; 30 days each  
1 senior professional/team leader; 40 days

Local Team: 7 senior professionals (one of which serves as leader of the local team); 3 months each  
1 junior professional; 3 months

population with respect to the health and nutrition interventions that are a core part of the cooperating sponsors' programs.

- **Assessment of Microfinance Programs:** The team will look at the issue of how well these projects are targeted to the proper beneficiaries -- in this case the poorest households. Field visits will be made to project sites on the coast (two areas will be visited) and in the Sierra (three areas will be visited). In project sites, team members will, using rapid appraisal techniques, determine the nature, length of time and operation of the interventions; verify the data obtained from the cooperating sponsor(s)' monitoring and evaluation system; using rapid appraisal techniques, collect information on the socio-economic characteristics of the community and the beneficiary population; and using focus group interviews assess the knowledge, attitude and practices with respect to the specific education interventions, if any, of a sample of the adult beneficiary population. It would also be useful to have a control group for the microfinance projects. In this case, the team will have to determine whether non-project communities should be identified and used as controls or whether the team should concentrate on interviewing families within the same area who are non-participants in microfinance programs.
- **Assessment of Agricultural Development/Productive Infrastructure Programs:** This team will look at the issue of how well these projects are targeted to the proper beneficiaries -- in this case, the poorest farm communities and households. Field visits will be made to project sites on the coast (one area will be visited) and in the Sierra (three areas will be visited). In project sites, team members will, using rapid appraisal techniques, determine the nature, length of time and operation of the interventions; verify the data obtained from the cooperating sponsor(s)' monitoring and evaluation system; using rapid appraisal techniques, collect information on the socio-economic characteristics of the community and the beneficiary population; and using focus group interviews assess the knowledge, attitude and practices with respect to the specific education interventions, if any, of a sample of the adult beneficiary population. The agricultural economist will also collect information on the costs and benefits of the individual interventions in order to ascertain whether they are profitable to the community/individual households once the intervention is withdrawn. The team will also visit nearby non-project sites, in order to get a better feel of the level of knowledge and economic well-being of similar communities that did not have the benefit of the agricultural interventions. Rapid appraisal techniques will be used to assess the socio-economic characteristics of these communities and focus groups to assess the KAPs of a sample of the adult population with respect to the agricultural interventions that were included in the cooperating sponsors' project intervention.

## VI. Implementation Schedule, Level of Effort and Qualifications of the Contractor Team

The evaluation will be performed by a team of experts with appropriate experience in the food security issues addressed by the Title II program in Peru. The evaluation team will be led by a U.S. firm, with the majority of the field work subcontracted to a local Peruvian organization. The U.S. firm will be responsible for providing guidance and oversight to the field operations ensuring the quality of the program assessments, integrating and synthesizing report components, and preparing the final report in fulfillment of Regulation 11 requirements. The local field team will have major responsibility for carrying out the majority of the field work, based on a field work design approved by the U.S. firm, and for preparing drafts of the assessments on the three major types of projects under the Title II program: maternal child health, microfinance, and agricultural projects.

### A. Implementation Schedule

#### *Week 1*

U.S. firm begins implementation of evaluation in Peru. Two day pre-evaluation planning workshop held

## VII. Report

The final report will contain an executive summary (2-5 pages), the main body of the report (25-30 pages) and a section on conclusions and recommendations (5 pages). The results of the three assessments -- maternal child health, microfinance, and agriculture/productive infrastructure -- will be also be summarized in separate annexes of 10-15 pages each.

Language -- The final report will be written in English.

Numbers of copies - 5

Date Due: July 14, 2000

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